

Legal & General Pacific Index Trust
**Annual Manager's
Short Report
for the year ended
25 March 2018**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

The investment objective of this Trust is to track the capital performance of the stock markets of the Pacific region, as represented by the FTSE World Asia Pacific (excluding Japan) Index, by investment in a representative sample of stocks selected from all economic sectors.

Securities in the FTSE World Asia Pacific (excluding Japan) Index will be held with weightings generally proportionate to their company's market capitalisation.

From time to time non-index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

Risk Profile

Market Risk

Market risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements. 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.

Currency Risk

This Trust is invested in overseas financial securities. The performance of the Trust may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

Trust Facts

Period End Dates for Distributions:	25 Mar, 25 Sep	
Distribution Dates:	25 May, 25 Nov	
Ongoing Charges Figures:	25 Mar 18	25 Mar 17
R-Class	0.86%	0.86%
F-Class	0.41%	0.41%
I-Class	0.19%	0.19%
C-Class	0.14%	0.14%

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) to the average net assets of the Trust.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a trust and is calculated based on the last period's figures.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category number highlighted above reflects the rate at which the Trust's unit price has moved up and down in the past. If the Trust has less than five years' track record, the number also reflects the rate at which the Index the Trust tracks has moved up and down in the past. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money.
- The Trust is in category five because it invests in company shares which are sensitive to variations in the stock market. The value of company shares can change substantially over short periods of time. Company shares are generally considered to be higher risk investments than bonds or cash.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

Distribution Information

R-Class

The distribution payable on 25 May 2018 is 0.7477p per unit for distribution units and 1.0616p per unit for accumulation units.

F-Class

The distribution payable on 25 May 2018 is 0.9974p per unit for distribution units and 1.4485p per unit for accumulation units.

I-Class

The distribution payable on 25 May 2018 is 1.1115p per unit for distribution units and 1.6864p per unit for accumulation units.

C-Class

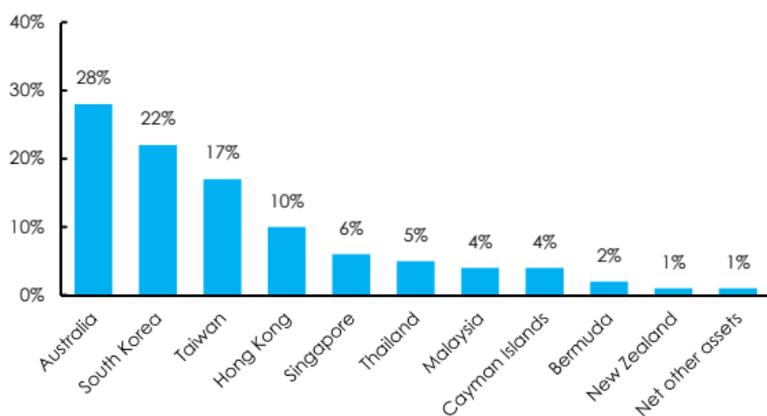
The distribution payable on 25 May 2018 is 1.1375p per unit for distribution units and 1.7259p per unit for accumulation units.

Portfolio Information

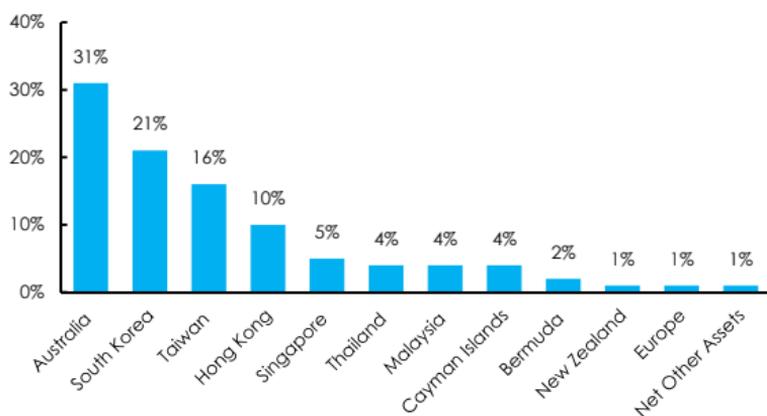
The top 10 holdings and their associated weighting at the current and preceding year ends were:

Top 10 Holdings at 25 March 2018		Top 10 Holdings at 25 March 2017	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Samsung Electronics	5.90%	Samsung Electronics	5.77%
Taiwan Semiconductor Manufacturing	5.50%	Taiwan Semiconductor Manufacturing	4.60%
AIA Group	2.78%	Commonwealth Bank of Australia	3.35%
Commonwealth Bank of Australia	2.68%	Westpac Banking	2.66%
Westpac Banking	2.06%	AIA Group	2.38%
BHP Billiton	1.95%	Australia & New Zealand Banking Group	2.15%
Australia & New Zealand Banking Group	1.72%	National Australia Bank	1.97%
National Australia Bank	1.66%	BHP Billiton	1.81%
CSL	1.51%	Hon Hai Precision Industry	1.35%
Hon Hai Precision Industry	1.27%	CSL	1.32%

Trust Holdings as at 25 March 2018



Trust Holdings as at 25 March 2017



Comparative Tables

R-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	105.48	79.75	89.09
Return before operating charges*	3.52	28.87	(6.81)
Operating charges (calculated on average price)	(0.94)	(0.80)	(0.66)
Return after operating charges*	2.58	28.07	(7.47)
Distributions on income units	(2.46)	(2.34)	(1.87)
Closing net asset value per unit	105.60	105.48	79.75
* after direct transaction costs of:	0.03	0.02	0.02

Performance

Return after charges	2.45%	35.19%	(8.38)%
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Other Information

Closing net asset value (£)	247,916,244	307,094,920	234,746,105
Closing number of units	234,779,816	291,146,166	294,370,893
Operating charges†	0.86%	0.86%	0.86%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	114.30p	108.10p	91.67p
Lowest unit price	101.40p	74.81p	66.81p

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust.

Past performance is not a guide to future performance.

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

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Comparative Tables continued

R-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	147.42	108.87	118.56
Return before operating charges*	4.94	39.65	(8.80)
Operating charges (calculated on average price)	(1.32)	(1.10)	(0.89)
Return after operating charges*	3.62	38.55	(9.69)
Distributions	(3.46)	(3.21)	(2.51)
Retained distributions on accumulation units	3.46	3.21	2.51
Closing net asset value per unit	151.04	147.42	108.87
* after direct transaction costs of:	0.04	0.02	0.03

Performance

Return after charges	2.46%	35.41%	(8.17)%
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Other Information

Closing net asset value (£)	136,370,235	139,551,728	110,425,304
Closing number of units	90,284,774	94,662,774	101,426,742
Operating charges†	0.86%	0.86%	0.86%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	162.40p	149.80p	122.00p
Lowest unit price	141.60p	102.20p	88.92p

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Comparative Tables continued

F-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	105.78	79.97	89.35
Return before operating charges*	3.51	28.99	(6.83)
Operating charges (calculated on average price)	(0.45)	(0.38)	(0.32)
Return after operating charges*	3.06	28.61	(7.15)
Distributions on income units	(2.96)	(2.80)	(2.23)
Closing net asset value per unit	105.88	105.78	79.97
* after direct transaction costs of:	0.03	0.02	0.02

Performance

Return after charges	2.89%	35.77%	(8.00)%
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Other Information

Closing net asset value (£)	164,955	136,114	153,944
Closing number of units	155,798	128,682	192,499
Operating charges†	0.41%	0.41%	0.41%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	115.20p	108.70p	92.34p
Lowest unit price	101.70p	75.42p	67.13p

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Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	150.70	110.80	120.12
Return before operating charges*	5.03	40.44	(8.89)
Operating charges (calculated on average price)	(0.64)	(0.54)	(0.43)
Return after operating charges*	4.39	39.90	(9.32)
Distributions	(4.25)	(3.91)	(3.02)
Retained distributions on accumulation units	4.25	3.91	3.02
Closing net asset value per unit	155.09	150.70	110.80
* after direct transaction costs of:	0.04	0.03	0.03

Performance

Return after charges	2.91%	36.01%	(7.76)%
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Other Information

Closing net asset value (£)	1,047,006	980,449	711,057
Closing number of units	675,081	650,615	641,733
Operating charges†	0.41%	0.41%	0.41%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	167.20p	153.30p	124.10p
Lowest unit price	144.80p	104.40p	90.25p

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Exchange rate changes may cause the value of any overseas investments to rise or fall.

Comparative Tables continued

I-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	104.99	79.38	88.73
Return before operating charges*	3.48	28.79	(6.79)
Operating charges (calculated on average price)	(0.21)	(0.18)	(0.15)
Return after operating charges*	3.27	28.61	(6.94)
Distributions on income units	(3.18)	(3.00)	(2.41)
Closing net asset value per unit	105.08	104.99	79.38
* after direct transaction costs of:	0.03	0.02	0.02

Performance

Return after charges	3.11%	36.04%	(7.82)%
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Other Information

Closing net asset value (£)	189,015,955	149,274,617	112,272,512
Closing number of units	179,877,364	142,184,388	141,443,705
Operating charges†	0.19%	0.19%	0.19%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	114.30p	108.00p	91.70p
Lowest unit price	101.30p	74.88p	66.46p

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Exchange rate changes may cause the value of any overseas investments to rise or fall.

Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	156.25	114.64	124.00
Return before operating charges*	5.22	41.86	(9.15)
Operating charges (calculated on average price)	(0.31)	(0.25)	(0.21)
Return after operating charges*	4.91	41.61	(9.36)
Distributions	(4.76)	(4.37)	(3.40)
Retained distributions on accumulation units	4.76	4.37	3.40
Closing net asset value per unit	161.16	156.25	114.64
* after direct transaction costs of:	0.04	0.03	0.03

Performance

Return after charges	3.14%	36.30%	(7.55)%
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Other Information

Closing net asset value (£)	199,430,618	204,522,901	176,445,902
Closing number of units	123,743,702	130,893,583	153,915,437
Operating charges†	0.19%	0.19%	0.19%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	173.50p	158.90p	128.10p
Lowest unit price	150.70p	108.10p	92.87p

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Comparative Tables continued

C-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	104.87	79.29	88.60
Return before operating charges*	3.48	28.76	(6.78)
Operating charges (calculated on average price)	(0.15)	(0.13)	(0.11)
Return after operating charges*	3.33	28.63	(6.89)
Distributions on income units	(3.23)	(3.05)	(2.42)
Closing net asset value per unit	104.97	104.87	79.29
* after direct transaction costs of:	0.03	0.02	0.02

Performance

Return after charges	3.18%	36.11%	(7.78)%
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Other Information

Closing net asset value (£)	91,890,187	75,444,172	49,959,301
Closing number of units	87,543,247	71,938,384	63,007,708
Operating charges†	0.14%	0.14%	0.14%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	114.30p	107.90p	91.57p
Lowest unit price	101.20p	74.80p	66.64p

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

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Comparative Tables continued

C-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	25/03/18 (pence per unit)	25/03/17 (pence per unit)	25/03/16 (pence per unit)
Opening net asset value per unit	156.25	114.58	123.88
Return before operating charges*	5.22	41.86	(9.15)
Operating charges (calculated on average price)	(0.23)	(0.19)	(0.15)
Return after operating charges*	4.99	41.67	(9.30)
Distributions	(4.85)	(4.44)	(3.40)
Retained distributions on accumulation units	4.85	4.44	3.40
Closing net asset value per unit	161.24	156.25	114.58
* after direct transaction costs of:	0.04	0.03	0.03

Performance

Return after charges	3.19%	36.37%	(7.51)%
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Other Information

Closing net asset value (£)	47,121,735	25,740,521	10,097,385
Closing number of units	29,223,917	16,473,541	8,812,555
Operating charges†	0.14%	0.14%	0.14%
Direct transaction costs	0.02%	0.02%	0.03%

Prices

Highest unit price	173.70p	158.90p	128.00p
Lowest unit price	150.70p	108.00p	93.18p

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Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class distribution units increased by 0.09%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 12 noon. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates. On this basis over the review year, the Trust returned 0.02% on a capital only basis, compared with the FTSE World Asia Pacific ex Japan Index return of -0.03% (Source: Bloomberg), producing a tracking difference of +0.05%.

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The FTSE World Asia Pacific (excluding Japan) Index is calculated by FTSE International Limited ("FTSE"). FTSE does not sponsor, endorse or promote this product.

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Market/Economic Review

A combination of an improving global economic outlook, low inflation and supportive central bank policies has underpinned equity markets worldwide over the last 12 months. Markets have also been supported by positive earnings momentum, and by companies buying back their own shares.

Throughout 2017, Asia Pacific equities generated strong returns, outpacing the gains in global stock markets. This reflected investors' ongoing confidence that, despite the prospect of higher global interest rates, the region's companies are well-placed to capitalise on the positive global trading outlook. However, Australian stocks produced more muted gains amid a gradual cooling in economic growth and Asia Pacific equity markets lost ground in March. Escalating US-China trade tensions and a US interest rate rise combined to weaken stock markets in the region, as well as concerns about a slowdown in global economic growth.

Trust Review

During the review year, there were four quarterly Index rebalances; in June 2017, September 2017, December 2017 and March 2018.

The June 2017 quarterly Index review resulted in no additions and no deletions. There were 414 changes to the free share capital of constituents with the largest increases being Tenaga Nasional (Malaysia) and Taiwan Semiconductor Manufacturing (Taiwan) and the largest decreases being Samsung Electronics (South Korea) and Formosa Chemicals & Fibre (Taiwan).

Manager's Investment Report continued

The September 2017 quarterly Index review resulted in seven additions and six deletions. The largest additions were Dairy Farm International (Hong Kong) and Energy Absolute (Thailand). The two largest deletions were Yangzijiang Shipbuilding Holdings and Yanlord Land Group (both Singapore). There were 41 changes to the free share capital of constituents with the largest increases being Hyundai Robotics and Hyundai Heavy Industries (both South Korea) and the largest decreases being CK Hutchison (Hong Kong) and Samsung Electronics (South Korea).

The December 2017 quarterly Index review resulted in one addition and one deletion. The only addition was Foxconn Technology (Hong Kong). The only deletion was Orion Holdings (Korea). There were 39 changes to the free share capital of constituents with the largest increases being Commonwealth Bank of Australia (Australia) and Hong Kong Exchanges & Clearing (Hong Kong), and the largest decreases being Samsung Electronics (Korea) and Rio Tinto (Australia).

The March 2018 quarterly Index review resulted in five additions and 11 deletions. The largest additions were Siam Cement (Thailand) and SillaJen (South Korea). The largest deletions were Siam Cement (F), Siam Cement (NVDR) (Both Thailand) and Hotai Motor (Taiwan). There were 33 changes to the free share capital of constituents with the largest increases being Kakao (Korea) and Oil Search (Australia), and the largest decreases being Link REIT (Hong Kong) and BGF Retail (Korea).

Outside the reviews, capital raising events as well as mergers and acquisitions were prevalent with most of the significant activity in Australia and Korea. In May, Hyundai Heavy Industries (South Korea) spun off 3 new companies in a deal worth \$5.97 billion. The new companies; Hyundai Robotics, Hyundai Construction Equipment and Hyundai Electric & Energy System (all South Korea) were added to the Index. Also in May, Duet Group (Australia) was deleted from the Index after being acquired by a syndicate of Chinese companies in a deal worth \$9.7 billion. In the capital raising space, two new stocks were added to the Index as a result of Initial Public Offerings (IPO). In May, Netmarble Games (South Korea) was added to the Index after an IPO worth \$2.3 billion, which was the biggest IPO in South Korea for seven years. Following that in July, Celltrion Healthcare was added to the Index after its IPO raised \$900 million. In November, Wharf Real Estate Investment (Hong Kong) was added to the Index after being spun off from Wharf Holdings (Hong Kong) in a \$19.2 billion deal. In January 2018, Global Logistic Properties (Singapore) was deleted from the Index after being acquired by Nesta Investment Holdings in a deal worth \$16 billion. At the time of announcement, this was the largest private buyout of an Asian company on record.

Manager's Investment Report continued

Outlook

There has been a clear divergence between economic growth and asset valuations in recent years. Central bank support has more than offset underlying structural economic problems. We believe that as monetary policy tightens, the gap will narrow. While we are optimistic about the long-term productivity improvements and investment opportunities highlighted by our technology and energy research, I think the demographic drag looks set to dominate growth prospects for now. As monetary policy support is withdrawn in 2018, many investors face a rude awakening if the risk premium is more accurately priced into markets.

The Trust remains well positioned to capture the region's market performance.

Legal & General Investment Management Limited

(Investment Adviser)

18 April 2018

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 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

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

Information on Tracking Error

The 'Tracking Error' of a Trust is the measure of the volatility of the differences between the return of the Trust and the return of the benchmark Index. It provides an indication of how closely the Trust is tracking the performance of the benchmark Index after considering things such as Trust charges and taxation.

Using monthly returns, over the review year, the annualised Tracking Error of the Trust is 0.02%, whilst the annualised Tracking Error of the Trust over the last 3 years, to the end of February 2018, is 0.02%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/- 0.5% per annum.

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

R- Class	£500
F-Class	£500
I-Class	£1,000,000
C-Class	£100,000,000

In addition, monthly contributions can be made into the R-Class and F-Class with a minimum amount of £50 per month.

F-Class units are only available to:

- i) investors who have received advice from authorised intermediaries, platforms or other distributors in relation to their investment in units in the Trust and
- ii) distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

C-Class Units are only available to distributors who actively market and distribute such Units (or whom the manager believes intends to do so) and to whom the Manager has confirmed by letter that they meet the criteria for investment in such Units.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the year under review and how it is invested at the year end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

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

Significant Changes

Removal of Initial Commission

With effect from 6 June 2017, initial commission will no longer be paid on the Trust. The initial commission was intended to reflect the costs incurred by the product provider and the intermediary for setting up and selling the business, however, Legal & General no longer consider it appropriate to continue to pay commission on such transactions.

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited

Registered in England and Wales No. 01009418

Registered office:

One Coleman Street,

London EC2R 5AA

Telephone: 0370 050 3350

Authorised and regulated by the Financial Conduct Authority

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

Trustee

Northern Trust Global Services PLC

50 Bank Street,

Canary Wharf,

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London SE1 2RT

**Authorised and regulated by the
Financial Conduct Authority**

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