

Janus Henderson Horizon Japanese Smaller Companies Fund

For professional investors only | For promotional purposes

A fund designed to capture the undervalued growth potential of Japanese smaller companies

May be suitable for investors seeking to invest in under-researched Japanese smaller companies over the long term

Designed to

Capture earnings growth and share price appreciation potential of Japanese companies:

The fund aims to benefit from a recovery in Japan's economy, which is driving corporate earnings growth, and a more progressive corporate governance culture that is enhancing shareholder returns.

Invest in undervalued, smaller Japanese companies:

The fund is managed based on the premise that significant inefficiencies exist in this under-researched asset class and these can be exploited to add value over time.

Deliver attractive returns over the long term:

The fund aims to provide long-term capital growth by investing in Japanese companies in the bottom 25% of the market capitalisation range.

Benefiting from

An experienced specialist investment team:

Janus Henderson has managed Japanese equities for more than 40 years. The fund has been managed by Yunyoung Lee since April 2005.

In-depth fundamental proprietary research:

Quarterly meetings are conducted for all holdings to discover incremental changes that may impact a company's growth potential and share price. This information is used to tactically rebalance the portfolio based on the manager's conviction levels.

Style neutral, high conviction, stock picking:

The fund is a diversified portfolio and has historically held around 50-70 stocks*. The investment approach focuses on stock valuation, investment catalysts and structural growth to drive earnings and returns. Catalysts can include meaningful changes such as new products, regulatory change, new technology, and company restructuring.

*At 31 March 2017.

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A skilled manager can add value by using fundamental analysis to take advantage of significant inefficiencies in under-researched Japanese smaller companies.”

Yunyoung Lee, Manager of the Janus Henderson Horizon Japanese Smaller Companies Fund

Opportunity set

Apart from foreign investors, key buyers of Japanese stocks include state entities such as the Bank of Japan and GPIF (Government Pension Investment Fund), as well as Japanese corporations via share buybacks. These structural buyers are a strong stabilising force in the market. Smaller companies are more domestically-focused and generally have less exposure to external macroeconomic and political headwinds. This means the asset class stands to benefit more from a domestic recovery in corporate capital expenditure and consumption compared to larger, more globally-exposed companies.

Furthermore, there has been a significant improvement in corporate governance among Japanese corporations following policies introduced by President Shinzo Abe. Companies are increasingly rewarding shareholders with many adopting ROE (return on equity) targets, while dividend hikes and share buybacks are also increasing. The fund is designed to maximise these opportunities by focusing on stock valuation, investment catalysts and structural growth.

Important information

Past performance is not a guide to future performance. The value of an investment can fall as well as rise and you may not get back the amount originally invested. Shares of small and mid-size companies can be more volatile than shares of larger companies. Market conditions, such as a decrease in market liquidity, may mean that it is not easy to value or to sell a share at a desired time and price, increasing the risk of investment losses. Please read the Key Investor Information Document and Fund Prospectus if considering investing.

Key characteristics

Fund aim*	To seek long-term capital appreciation by investing at least two-thirds of the fund's total assets in smaller Japanese companies defined as companies within the bottom 25% of the market capitalisation range.
Fund manager	Yunyoung Lee
Launch date	1 August 1985
Structure	Sub-fund of Luxembourg SICAV (UCITS)
Benchmark	Russell/Nomura Small Cap Index
Base currency	JPY (share classes also available in USD,SGD)
ISIN code	LU0011890265 (A2 accumulation USD)
WKN	972768
Valoren	595701

*Please see prospectus for full fund objectives.

Janus Henderson for Japanese Smaller Companies

- Janus Henderson has managed Japanese equity assets since 1974. The Japanese Smaller Companies Team has a combined experience of more than 30 years investing in Japanese equities
- A high conviction strategy with a focus on valuation, investment catalysts and structural growth
- A total of US\$969.8 billion assets under management by Janus Henderson's Japanese equity teams at 30 September 2017
- Risk management embedded throughout the investment process

Past performance is not a guide to future performance. The value of an investment and the income from it can fall as well as rise and investors may not get back the amount originally invested.

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Janus Henderson
—KNOWLEDGE. SHARED—

Important Information

This document is intended solely for the use of professionals and is not for general public distribution. Any investment application will be made solely on the basis of the information contained in the Fund's prospectus (including all relevant covering documents), which will contain investment restrictions. This document is intended as a summary only and potential investors must read the Fund's prospectus and key investor information document before investing. A copy of the Fund's prospectus and key investor information document can be obtained from Henderson Global Investors Limited in its capacity as Investment Manager and Distributor. We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes. Past performance is not a guide to future performance. The performance data does not take into account the commissions and costs incurred on the issue and redemption of units. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law change. If you invest through a third party provider you are advised to consult them directly as charges, performance and terms and conditions may differ materially. The securities included in this document are not registered in the Foreign Securities Registry of the Superintendencia de Valores y Seguros for public offering and, therefore, the use of this document is only for general information purposes. Nothing in this document is intended to or should be construed as advice. This document is not a recommendation to sell or purchase any investment. It does not form part of any contract for the sale or purchase of any investment. The Fund is a recognised collective investment scheme for the purpose of promotion into the United Kingdom. Potential investors in the United Kingdom are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Fund and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

The Janus Henderson Horizon Fund (the "Fund") is a Luxembourg SICAV incorporated on 30 May 1985, managed by Henderson Management S.A. Issued in the UK by Janus Henderson Investors. Janus Henderson Investors is the name under which Henderson Global Investors Limited (reg. no. 906355) (incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London EC2M 3AE and authorised and regulated by the Financial Conduct Authority) provide investment products and services. A copy of the Fund's prospectus, key investor information document, articles of incorporation, annual and semi-annual reports can be obtained free of cost from the local offices of Janus Henderson Investors: 201 Bishopsgate, London, EC2M 3AE for UK, Swedish and Scandinavian investors; Via Dante 14, 20121 Milan, Italy, for Italian investors and Roemer Visscherstraat 43-45, 1054 EW Amsterdam, the Netherlands, for Dutch investors; and the Fund's: Austrian Paying Agent Raiffeisen Bank International AG, Am Stadtpark 9, A-1030 Vienna; French Paying Agent BNP Paribas Securities Services, 3, rue d'Antin, F-75002 Paris; German Information Agent Marcard, Stein & Co, Ballindamm 36, 20095 Hamburg; Belgian Financial Service Provider CACEIS Belgium S.A., Avenue du Port 86 C b320, B-1000 Brussels; Spanish Representative Allfunds Bank S.A. Estafeta, 6 Complejo Plaza de la Fuente, La Moraleja, Alcobendas 28109 Madrid; Singapore Representative Henderson Global Investors (Singapore) Limited, 138 Market Street, #34-03/04 CapitaGreen, Singapore 048946; or Swiss Representative BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich who are also the Swiss Paying Agent. RBC Investor Services Trust Hong Kong Limited, a subsidiary of the joint venture UK holding company RBC Investor Services Limited, 51/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, Tel: +852 2978 5656 is the Fund's Representative in Hong Kong. © 2017, Janus Henderson Investors. The name Janus Henderson Investors includes HGI Group Limited, Henderson Global Investors (Brand Management) Sarl and Janus International Holding LLC.

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Fund manager



Yunyoung Lee
Fund Manager,
Japanese
Equities

Yunyoung Lee is a Fund Manager for Japanese Equities at Janus Henderson Investors, a position he has held since joining Henderson in 2005. He is also a Portfolio Manager of the International Small Cap Equity strategy. Yunyoung is based in Singapore. Prior to Henderson, he worked at Putnam Investments as an equity analyst for the Japanese small cap sector. Prior to this, he worked for Tokyo Securities and Dow Chemicals.

Yunyoung graduated from the Korea Advanced Institute of Science and Technology (KAIST) with an MS in chemical engineering and has an MBA from the University of Hawaii at Manoa. He holds the Chartered Financial Analyst designation and has 25 years of financial industry experience.