



ANNUAL SHORT REPORT

For the year ended
31 May 2017

Janus Henderson
— INVESTORS —

Henderson US Growth Fund

Henderson US Growth Fund

Short Report

For the year ended 31 May 2017

Investment Fund Managers

Derek J. Pawlak, Michelle J. Picard, W. Scott Priebe

Investment objective and policy

The fund aims to achieve a long-term return, in excess of the long-term return that is typically achieved from US equity markets, primarily by investing in companies incorporated in the US or having their registered office in the US, or companies that are not incorporated in the US, or do not have their registered office in the US but either (i) carry out a predominant proportion of their business activity in the US, or (ii) are holding companies which predominantly own companies with registered offices in the US.

The fund is expected to invest in large capitalisation companies.

The return is expected to be mainly growth of capital.

The fund may invest up to 15% in cash or cash-equivalents from time to time. This is unlikely to exceed 15%. In the event that the Manager is anticipating exceptional redemption requests or in exceptional circumstances the level may exceed this amount.

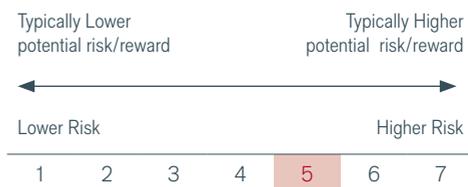
The fund may also invest at the Manager's discretion in other transferable securities, money market instruments, cash and near cash, derivative instruments and forward transactions, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted in applicable FCA Rules).

Risk and reward profile

The fund currently has 3 types of share class in issue:

A accumulation, C accumulation and I accumulation.

The risk and reward profile of each type of share class is as follows:



The Synthetic Risk and Reward Indicator (SRRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRRI level. The SRRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Active management risk Active management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

Counterparty risk The fund could lose money if a counterparty with which it trades becomes unwilling or unable to meet its obligations to the fund.

Derivatives risk Derivatives use exposes the fund to risks different from, and potentially greater than, the risks associated with investing directly in securities and may therefore result in additional loss, which could be significantly greater than the cost of the derivative.

Equities risk Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

Exchange rate risk Changes in currency exchange rates may cause the value of your investment and any income from it to rise or fall.

Hedging risk Measures designed to reduce the impact of certain risks may not be available or may be ineffective.

Liquidity risk Any security could become hard to value or to sell at a desired time and price, increasing the risk of investment losses.

The full list of the fund's risks are contained in the "Risk Factors" section of the fund's prospectus.

The risk rating for all share classes has decreased from 6 to 5 during the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

Investment review

The Henderson US Growth Fund posted a return of 25.3% (class A accumulation) in the year to 31 May 2017. The fund underperformed the benchmark S&P 500 index, which returned 32.4% over the year.

The year ended 31 May 2017 was generally very strong, with the index up mid-double digits and broad strength across most sectors. From a quality perspective, these returns were driven by the performance of low quality companies; those companies rated B or worse (low quality) returned 15.47%, with those rated B+ or better (high quality) returning 12.55%. From a sector perspective, the performance was driven by companies in the technology, financial services and consumer discretionary sectors. Within the benchmark, much of the performance was driven by the 'FANG' stocks (Facebook, Amazon, Netflix and Google) and Apple.

Specific to the fund, the underperformance was the result of stock selection within the consumer discretionary and financial services sectors. The weakness in consumer discretionary was a combination of what was owned and what was not owned. Within the fund, positions such as Tractor Supply Company and VF Corporation weighed on performance. Tractor Supply Company was down over 40% after the company reported disappointing results; the general weakness in the industrial and energy markets impacted their target customer and, as a result, the company saw a decrease in traffic. VF Corporation was weak, in line with the broader retail segment. The quickly changing retail environment has pressured all apparel companies, but the company continues to innovate and offers compelling value. The fund's lack of holdings in Amazon, Comcast or Priceline Group, which were some of the best performers and strongest contributors, hindered performance. Within the financial services sector, the underperformance was simply the result of being underweight the large- and mega-cap banks. The fund held a position in JP Morgan, which was up strongly during the year, but being underweight banks such as Bank of America, Citigroup and Morgan Stanley hindered performance.

Investment review (continued)

Our overweight position in the materials & processing and producer durables sectors contributed positively to the fund's performance. In the materials & processing sector, the performance was driven by the more cyclical names that benefited following the election. Outside of these sectors, the top performing holdings were from the technology sector, with companies such as Microchip Technology, Adobe Systems and Intuit posting strong results over the year. Microchip benefited from the overall strength of the semiconductor industry while also posting impressive results. Adobe continues to make the transition to a SaaS model and, thus far, that seems to be going well. Intuit recently posted strong results, with its year on year Turbo Tax revenue up 8%, and 30% revenue growth in the Quickbooks business.

Trading activity during the year was modest, although that should be expected as the target holding period of a company is three to five years. We added Thermo Fisher, Ulta Beauty and Intercontinental Exchange to the fund. We sold Perrigo, Cognizant, T Rowe Price, Alexion Pharmaceuticals and Grainger.

Over the next 12 months, the fund is well positioned to take advantage of the strength of the US economy, and should do well if investors can remain focused on the fundamentals of companies rather than macroeconomic events. The outlook for markets and the US economy remain balanced, and the focus of investors continues to be on the health of the US economy and the progress being made in Washington. So far this year, investors have been willing to reward companies with strong fundamentals and punish those that miss expectations; this revision back to a more fundamentally driven market was refreshing and should continue. This is why it's as important as ever to invest in high quality companies with experienced management teams, a record of consistent growth and the ability to expand organically despite the many challenges facing the global economy.

Performance summary

	31 May 16- 31 May 17 %	31 May 15- 31 May 16 %	31 May 14- 31 May 15 %	31 May 13- 31 May 14 %	31 May 12- 31 May 13 %
Henderson US Growth Fund	25.3	(2.4)	20.1	5.2	24.4
S&P 500 Index	32.4	6.6	22.9	8.9	29.2

Source: Morning star – bid to bid and net of fees as at 12 noon valuation point, based on performance of class A accumulation.

Benchmark values are as at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Fund facts

Accounting dates	Payment dates
30 November, 31 May	31 January, 31 July

Ongoing charge figure

	2017 %	2016 %
Class A	1.70	1.70
Class C	0.56	0.56
Class I	0.84	0.84

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

Comparative tables for the year ended 31 May 2017

	Class A accumulation			Class C accumulation		
	2017 (pence per share)	2016 (pence per share)	2015 (pence per share)	2017 (pence per share)	2016 (pence per share)	2015 (pence per share)
Change in net assets per share						
Opening net asset value per share	774.89	787.29	657.25	684.68	687.77	567.50
Return before operating charges*	205.26	0.66	142.45	181.58	0.69	123.92
Operating charges	(15.41)	(13.06)	(12.41)	(4.46)	(3.78)	(3.65)
Return after operating charges*	189.85	(12.40)	130.04	177.12	(3.09)	120.27
Distributions on accumulation shares	–	–	–	(5.59)	(1.03)	(1.66)
Retained distributions on accumulation shares	–	–	–	5.59	1.03	1.66
Closing net asset value per share	964.74	774.89	787.29	861.80	684.68	687.77
* after direct transaction costs of:	0.21	0.42	0.48	0.19	0.37	0.42
Performance						
Return after charges	24.50%	(1.58%)	19.79%	26.69%	(0.45%)	21.19%
Other information						
Closing net asset value (£000s)	138,529	132,820	230,059	17	3,544	3,725
Closing number of shares	14,359,306	17,140,497	29,221,699	1,953	517,648	541,607
Operating charges	1.70%	1.70%	1.69%	0.56%	0.56%	0.57%
Direct transaction costs	0.02%	0.06%	0.07%	0.02%	0.06%	0.07%
Prices						
Highest share price (pence)	1,001.00	808.30	835.30	891.90	710.70	728.60
Lowest share price (pence)	754.80	684.60	651.90	667.50	602.80	563.20

Comparative tables (continued)

	Class I accumulation		
	2017 (pence per share)	2016 (pence per share)	2015 (pence per share)
Change in net assets per share			
Opening net asset value per share	222.81	224.44	185.70
Return before operating charges*	60.25	0.22	40.52
Operating charges	(2.19)	(1.85)	(1.78)
Return after operating charges*	58.06	(1.63)	38.74
Distributions on accumulation shares	(1.13)	–	–
Retained distributions on accumulation shares	1.13	–	–
Closing net asset value per share	279.74	222.81	224.44
* after direct transaction costs of:	0.06	0.12	0.14
Performance			
Return after charges	26.06%	(0.73%)	20.86%
Other information			
Closing net asset value (£000s)	127,304	154,459	130,162
Closing number of shares	45,508,064	69,321,428	57,993,639
Operating charges	0.84%	0.84%	0.85%
Direct transaction costs	0.02%	0.06%	0.07%
Prices			
Highest share price (pence)	289.60	231.60	237.90
Lowest share price (pence)	217.20	196.30	184.30

Performance values are at close of business and may not match those detailed in the performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

There were no share classes launched or closed in the year.

Past performance is not a guide to future performance.

Major holdings

as at 2017	%
Fiserv	4.23
Microchip Technology	4.21
Adobe Systems	4.19
Alphabet 'A'	3.78
Starbucks	3.58
Intuit	3.54
Visa	3.40
Henry Schein	3.28
Salesforce.com	3.11
TJX	3.10

Major holdings

as at 2016	%
Fiserv	4.61
Starbucks	3.84
Adobe Systems	3.82
TJX	3.63
Henry Schein	3.58
Nike 'B'	3.38
Danaher	3.33
Costco Wholesale	3.30
Visa	3.27
Intuit	3.23

Asset allocation	
as at 2017	%
Information Technology	26.46
Consumer Discretionary	19.49
Industrials	14.29
Health Care	12.76
Consumer Staples	10.83
Materials	4.76
Financials	4.32
Telecommunication Services	1.99
Derivatives	0.02
Other net assets	5.08
Total net assets	100.00

Asset allocation	
as at 2016	%
Information Technology	25.29
Consumer Discretionary	21.49
Health Care	14.33
Industrials	13.80
Consumer Staples	11.86
Materials	4.76
Financials	4.51
Telecommunication Services	2.07
Other net assets	1.89
Total net assets	100.00

Report and accounts

This document is a short report of the Henderson US Growth Fund for the year ended 31 May 2017.

Copies of the annual and half yearly long form reports of this fund are available on our website www.janushenderson.com or contact Client Services on the telephone number provided.

Other information

The information in this report is designed to enable you to make an informed judgement on the activities of the fund during the year it covers and the results of those activities at the end of the year.

Issued by:

Henderson Investment Funds Limited
Registered office:
201 Bishopsgate
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135 Bishopsgate
London EC2M 3UR

Risk warning

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Auditor

PricewaterhouseCoopers LLP
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Glasgow G2 7EQ

Shareholder Administrator

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IFDS House
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Basildon, Essex SS15 5FS

Further information

Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**.

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via email at support@janushenderson.com

We may record telephone calls for our mutual protection and to improve customer service.

Online valuations

You can value your Henderson US Growth Fund at any time by logging on to www.janushenderson.com. Select 'UK Private Investor' and then access 'Valuations' from the Tools Menu. Simply select the fund you hold and enter the appropriate number of shares.

Important Information

Janus Henderson Investors is the name under which Janus Capital International Limited (reg no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), Henderson Investment Management Limited (reg. no. 1795354), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), Gartmore Investment Limited (reg. no. 1508030), (each incorporated and registered in England and Wales with registered office 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Conduct Authority to provide investment products and services. Telephone calls may be recorded and monitored.

Unless otherwise stated, all data is sourced by Janus Henderson Investors.

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