



INTERIM SHORT REPORT

For the six months ended
31 March 2017

Janus Henderson
— INVESTORS —

Henderson Multi-Manager Absolute Return Fund

Henderson Multi-Manager Absolute Return Fund

Short Report

For the six months ended 31 March 2017

Investment Fund Manager

James de Bunsen and Peter Webster

Other information

Henderson Group plc and Janus Capital Group merged on 30 May 2017 to form Janus Henderson Group plc.

Investment objective and policy

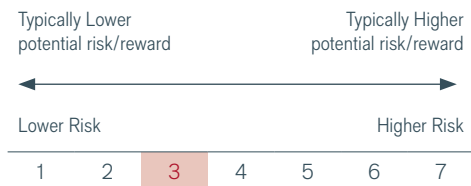
The fund aims to achieve a positive absolute return over the long term regardless of market conditions. The fund aims to typically deliver absolute (more than zero) returns over a rolling 12 month period. An absolute return performance is not guaranteed over this specific, or any other, time period and consequently capital is in fact at risk. The fund will invest in a range of collective investment schemes, transferable securities, cash deposits, money market instruments and derivatives.

Risk and reward profile

The fund currently has 7 types of share class in issue:

A accumulation, I accumulation, A Euro Hedged accumulation, A US Dollar Hedged accumulation, K accumulation, K Euro Hedged accumulation and K US Dollar Hedged accumulation.

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



The Synthetic Risk and Reward Indicator (SRRI) 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 SRRI level. The SRRI 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 3 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.

Collective investment scheme risk The fund may invest in other types of collective investment schemes which can involve different risks to investing directly in the underlying assets. Such schemes may increase risk due to investment in risky assets such as property or commodities, restrictions on withdrawals, less strict regulation and use of derivatives. The value of your investment may fall as a result.

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.

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.

There have been no changes to the risk rating in the year.

The SRR1 conforms to the ESMA guidelines for the calculation of the SRR1.

Investment review

Global equity markets rose by 8.6% over the six-month review period, as measured by the MSCI World US\$ Total Return Index. Political developments had a notable effect on the global economic picture: the US elected a controversial new leader, and the UK formally commenced its exit from the European Union. Commodities received a boost when the Organization of the Petroleum Exporting Countries agreed to stem oil production. Central bank activity was divergent, with the US Federal Reserve raising rates twice in the period while other developed banks retained accommodative measures.

Within fixed income, core government bond markets were down overall (JPM Global Government Bond Index -7.0% in US dollars), with yields rising (bond prices move inversely to yields). In the US, 10-year Treasury yields rose very sharply in the weeks following the presidential election, then traded in a fairly narrow range for the rest of the period. Ten-year gilt yields increased, but experienced dips in February and March that coincided with Brexit-related developments. German bund yields saw more peaks and valleys, but ended the period up.

Against this market backdrop, the Henderson Multi-Manager Absolute Return Fund performed well, returning 1.8% on a net of fees basis.

Positive performance was generated from most sectors within the fund. The best performing sector was specialist equities. The standout performer within the sector was the Polar Capital Global

Insurance Fund, which returned 14.4% during the period and contributed 0.5% to fund performance. Strong performance in emerging markets and Asian equity markets helped the fund's positions in the Genesis Emerging Markets Fund and Schroders International Selection Asian Total Return Fund to contribute 0.2% and 0.3%, respectively.

The fund's allocation to hedge strategies also generated strong returns. The sector added 0.7% to fund performance. The strong rally in US yields after President Trump's election victory helped BH Macro to return 11.8% and contribute 0.4% to performance. The Plurimi Global Macro Diversified Dynamic Solution Fund also performed well, contributing 0.3%.

Fixed income investments within the fund contributed 0.6% to performance, with the PIMCO Global Investors Series Income Fund adding 0.4% to performance. The fund also generated positive returns from allocations to commodities, absolute return fixed income and property, which returned 0.1%, 0.5% and 0.5%, respectively.

The only sector to detract from returns was absolute return equity. The sector detracted just 0.1%. The main detractors within the sector were the Kames Capital Invest Equity Market Neutral Plus and the Melchior European Absolute Return Funds, which detracted 0.1% and 0.3%, respectively. The only other sector to detract from performance was cash. The sector detracted due to overseas currency positioning being hedged to reduce the volatility caused by fluctuating exchange rates. Cash detracted 0.8% from performance.

During the period, we made a number of changes to the portfolio. In March, we decided to take profits on a number of positions, including the NB Global Floating Rate Income Fund, Polar Capital Global Insurance Fund and Schroders International Selection Asian Total Return Fund. At the end of the period, we retained some positions in all of these funds. We also fully exited positions in Euro Stoxx 50 Dec '17 dividend futures, believing they had become fully valued. We also took the opportunity to reduce our fixed interest positioning by selling the Henderson Horizon Total Return Bond Fund.

Investment review (continued)

We topped up a number of positions during the six-month period ending 31 March 2017, including the Old Mutual Absolute Return Government Bond Fund, S&W Kennox Strategic Value Fund, PIMCO Global Investors Series Income Fund, Kames Capital Invest Equity Market Neutral Plus Fund and the Merrill Lynch MLCX Commodity Alpha Fund. We also initiated some new positions. We invested into the Helium Selection Fund, an event-driven hedge fund that has a focus on merger arbitrage. We see high corporate cash balances and a lack of organic growth in corporate earnings as catalysts for an increasing level of mergers and acquisitions. We also opened a position in International Public Partnerships, an infrastructure investment trust. We feel that the attractive yields, inflation protection and quasi-government-backed cash flows support an attractive investment case. We also opened a position in Boussard & Gavaudan Absolute Return Fund.

Last of all, we sold short Russell 2000 futures and went long S&P 500 futures. We felt that US small cap stocks had become overvalued since performing strongly following President Trump's election.

Looking ahead, we believe that it will be harder to generate returns from traditional markets due to the high valuations at which they trade compared with history. Political risks are also running high, with elections to be held in the UK, Germany and France during the rest of 2017. We believe that we are well placed to navigate this difficult investment environment.

Performance summary

	Six months 30 Sep 16- 31 Mar 17 %	One year 31 Mar 16- 31 Mar 17 %	Five years 31 Mar 12- 31 Mar 17 %	Since launch 1 Oct 04- 31 Mar 17 %
Cumulative performance				
Henderson Multi-Manager Absolute Return Fund	1.8	5.0	12.7	42.0

	31 Mar 16- 31 Mar 17 %	31 Mar 15- 31 Mar 16 %	31 Mar 14- 31 Mar 15 %	31 Mar 13- 31 Mar 14 %	31 Mar 12- 31 Mar 13 %
Discrete performance					
Henderson Multi-Manager Absolute Return Fund	5.0	(2.5)	4.2	0.2	5.4

Source: Morningstar, bid to bid and net of fees as at 12 noon valuation point, based on performance of Class A accumulation.

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
31 March, 30 September	31 May, 30 November

Ongoing charge figure

	31/03/17 %	30/09/16 %
Class A accumulation	1.95	1.92
Class I accumulation	1.26	1.23
Class K accumulation	1.94	1.91
Class A Euro Hedged accumulation	1.95	1.92
Class A US Dollar Hedged accumulation	1.95	1.92
Class K Euro Hedged accumulation	1.94	1.91
Class K US Dollar Hedged accumulation	1.94	1.91

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 includes a synthetic element of 0.55% (30/09/16: 0.51%) to incorporate the OCF of underlying funds.

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

This fund is a non-UCITS retail fund and this disclosure has been adopted to enable comparison across our fund range.

Comparative tables for the six months ended 31 March 2017

	Class A accumulation			
	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	139.42	134.10	134.00	131.12
Return before operating charges*	5.09	7.93	2.71	5.44
Operating charges	(2.74)	(2.61)	(2.61)	(2.56)
Return after operating charges*	2.35	5.32	0.10	2.88
Distributions on accumulation shares	(0.10)	(0.32)	(0.47)	–
Retained distributions on accumulation shares	0.10	0.32	0.47	–
Closing net asset value per share	141.77	139.42	134.10	134.00
* after direct transaction costs of:	0.01	0.03	0.02	0.04
Performance				
Return after charges	1.69%	3.97%	0.07%	2.20%
Other information				
Closing net asset value (£000s)	41,278	42,245	56,197	75,414
Closing number of shares	29,115,695	30,301,220	41,907,896	56,277,236
Operating charges	1.95%	1.92%	1.92%	1.93%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (pence)	142.50	139.80	140.10	134.80
Lowest share price (pence)	138.50	132.10	131.90	131.20

Comparative tables (continued)

	Class I accumulation			
	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	113.63	108.64	108.04	105.11
Return before operating charges*	3.62	6.35	1.95	4.27
Operating charges	(1.44)	(1.36)	(1.35)	(1.34)
Return after operating charges*	2.18	4.99	0.60	2.93
Distributions on accumulation shares	(0.38)	(0.89)	(0.86)	(0.50)
Retained distributions on accumulation shares	0.38	0.89	0.86	0.50
Closing net asset value per share	115.81	113.63	108.64	108.04
* after direct transaction costs of:	0.00	0.02	0.02	0.03
Performance				
Return after charges	1.92%	4.59%	0.56%	2.79%
Other information				
Closing net asset value (£000s)	101,013	105,844	97,219	89,801
Closing number of shares	87,221,555	93,150,207	89,489,149	83,118,503
Operating charges	1.26%	1.23%	1.23%	1.25%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (pence)	116.30	113.80	113.30	108.70
Lowest share price (pence)	112.90	107.20	106.40	105.20

Comparative tables (continued)

	Class K accumulation			
	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	1,107.79	1,065.52	1,065.49	1,042.44
Return before operating charges*	39.95	62.84	20.65	43.34
Operating charges	(21.66)	(20.57)	(20.62)	(20.29)
Return after operating charges*	18.29	42.27	0.03	23.05
Distributions on accumulation shares	(0.56)	(2.39)	(2.90)	–
Retained distributions on accumulation shares	0.56	2.39	2.90	–
Closing net asset value per share	1,126.08	1,107.79	1,065.52	1,065.49
* after direct transaction costs of:	0.05	0.24	0.16	0.29
Performance				
Return after charges	1.65%	3.97%	0.00%	2.21%
Other information				
Closing net asset value (£000s)	244	192	184	486
Closing number of shares	21,632	17,399	17,293	45,545
Operating charges	1.94%	1.91%	1.91%	1.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (pence)	1,132.00	1,111.00	1,114.00	1,072.00
Lowest share price (pence)	1,100.00	1,049.00	1,049.00	1,043.00

Comparative tables (continued)

Class A Euro Hedged accumulation

	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	95.17	78.88	83.98	88.45
Return before operating charges*	1.87	17.90	(3.55)	(2.78)
Operating charges	(1.86)	(1.61)	(1.55)	(1.69)
Return after operating charges*	0.01	16.29	(5.10)	(4.47)
Distributions on accumulation shares	(0.02)	(0.14)	(0.20)	–
Retained distributions on accumulation shares	0.02	0.14	0.20	–
Closing net asset value per share	95.18	95.17	78.88	83.98
* after direct transaction costs of:	0.00	0.02	0.01	0.02
Performance				
Return after charges	0.01%	20.65%	(6.07%)	(5.05%)
Other information				
Closing net asset value (£000s)	1,217	1,353	1,519	1,537
Closing number of shares	1,278,324	1,421,412	1,926,359	1,829,993
Operating charges	1.95%	1.92%	1.92%	1.93%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (Euro cents)	111.88	110.45	112.29	108.51
Lowest share price (Euro cents)	109.07	104.95	106.09	105.90

Comparative tables (continued)

Class A US Dollar Hedged accumulation

	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	85.79	70.72	66.37	65.24
Return before operating charges*	6.86	16.54	5.71	2.38
Operating charges	(1.77)	(1.47)	(1.36)	(1.25)
Return after operating charges*	5.09	15.07	4.35	1.13
Distributions on accumulation shares	(0.01)	(0.14)	(0.18)	–
Retained distributions on accumulation shares	0.01	0.14	0.18	–
Closing net asset value per share	90.88	85.79	70.72	66.37
* after direct transaction costs of:	0.00	0.02	0.01	0.02
Performance				
Return after charges	5.93%	21.31%	6.55%	1.73%
Other information				
Closing net asset value (£000s)	3,711	1,957	1,520	396
Closing number of shares	4,083,233	2,281,176	2,149,826	597,038
Operating charges	1.95%	1.92%	1.92%	1.93%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (USD cents)	114.14	111.60	112.16	108.30
Lowest share price (USD cents)	110.69	105.39	105.92	105.74

Comparative tables (continued)

Class K Euro Hedged accumulation

	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	932.29	772.54	822.62	866.08
Return before operating charges*	18.32	175.49	(34.96)	(27.11)
Operating charges	(18.17)	(15.74)	(15.12)	(16.35)
Return after operating charges*	0.15	159.75	(50.08)	(43.46)
Distributions on accumulation shares	(0.28)	(1.44)	(1.83)	–
Retained distributions on accumulation shares	0.28	1.44	1.83	–
Closing net asset value per share	932.44	932.29	772.54	822.62
* after direct transaction costs of:	0.04	0.19	0.12	0.23
Performance				
Return after charges	0.02%	20.68%	(6.09%)	(5.02%)
Other information				
Closing net asset value (£000s)	219	216	181	78
Closing number of shares	23,482	23,109	23,376	9,508
Operating charges	1.94%	1.91%	1.91%	1.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (Euro cents)	1,096.00	1,081.97	1,099.87	1,062.97
Lowest share price (Euro cents)	1,068.51	1,027.88	1,039.24	1,037.21

Comparative tables (continued)

Class K US Dollar Hedged accumulation

	31/03/17 (pence per share)	30/09/16 (pence per share)	30/09/15 (pence per share)	30/09/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	843.93	695.56	652.67	641.33
Return before operating charges*	67.69	163.01	56.14	23.54
Operating charges	(17.32)	(14.64)	(13.25)	(12.20)
Return after operating charges*	50.37	148.37	42.89	11.34
Distributions on accumulation shares	(0.34)	(2.12)	(1.83)	–
Retained distributions on accumulation shares	0.34	2.12	1.83	–
Closing net asset value per share	894.30	843.93	695.56	652.67
* after direct transaction costs of:	0.04	0.17	0.10	0.17
Performance				
Return after charges	5.97%	21.33%	6.57%	1.77%
Other information				
Closing net asset value (£000s)	960	2,221	684	687
Closing number of shares	107,374	263,139	98,274	105,251
Operating charges	1.94%	1.91%	1.91%	1.92%
Direct transaction costs	0.00%	0.02%	0.01%	0.03%
Prices				
Highest share price (USD cents)	1,123.21	1,098.48	1,103.08	1,065.02
Lowest share price (USD cents)	1,088.95	1,036.70	1,041.58	1,039.47

Performance values are at close of business and may differ from 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.

Past performance is not a guide to future performance.

Major holdings

as at 31/03/17	%
Majadie Tortoise Fund	5.74
PIMCO Global Investors Series Income Fund	5.50
Plurimi Global Macro Diversified Dynamic Solution Fund	5.14
Melchior Selected European Absolute Return Fund	4.46
Merrill Lynch MLCX Commodity Alpha Fund	4.37
BH Macro GBP	4.33
F&C Global Equity Market Neutral Fund	4.32
Helium Selection S-EUR	4.29
Old Mutual Absolute Return Government Bond Fund	4.22
Kames Capital Invest Equity Market Neutral Plus Fund	4.06

+ Related party to the fund

Asset allocation

as at 31/03/17	%
Absolute Return Equity	22.06
Hedge Strategies	20.95
Absolute Return Fixed Income	13.73
Fixed Interest	11.41
Specialist Equity	11.13
Property	8.30
Commodities	7.96
Derivatives	0.09
Other net assets	4.37
Total net assets	100.00

Major holdings

as at 30/09/16	%
Majadie Tortoise Fund	5.48
Henderson Horizon Total Return Bond Fund+	4.97
Plurimi Global Macro Diversified Dynamic Solution Fund	4.70
Melchior Selected European Absolute Return Fund	4.56
PIMCO Global Investors Series Income Fund	4.40
BH Macro GBP	3.74
DB Platinum IV GAM Absolute Return Europe Equity Fund	3.66
Kames Capital Invest Equity Market Neutral Plus Fund	3.64
Absolute Insight Emerging Market Debt Fund Accumulation	3.54
MontLake Dunn WMA Institutional UCITS Fund	3.48

Asset allocation

as at 30/09/16	%
Absolute Return Equity	24.16
Fixed Interest	14.76
Hedge Strategies	11.92
Absolute Return Fixed Income	11.66
Specialist Equity	10.83
Property	9.31
Commodities	6.76
Derivatives	0.12
Other net assets	10.48
Total net assets	100.00

Report and accounts

This document is a short report of the Henderson Multi-Manager Absolute Return Fund for the six months ended 31 March 2017.

Copies of the annual and half yearly long and short 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 period it covers and the results of those activities at the end of the period.

Issued by:

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

Member of the Investment Association and authorised and regulated by the Financial Conduct Authority.
Registered in England No 2678531

Depository

National Westminster Bank Plc
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
141 Bothwell Street
Glasgow G2 7EQ

Shareholder Administrator

International Financial Data Services (UK) Limited
IFDS House
St. Nicholas Lane
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 Multi-Manager Absolute Return 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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