



ANNUAL SHORT REPORT

For the year ended
31 May 2017

Janus Henderson
— INVESTORS —

Henderson Emerging Markets Opportunities Fund

Henderson Emerging Markets Opportunities Fund

Short Report

For the year ended 31 May 2017

Investment Fund Managers

Glen Finegan and Stephen Deane

Other information

On 30 September 2016 Stephen Deane was appointed as co-Manager of the fund.

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 emerging equity markets by investing predominantly in companies having their registered office in emerging markets and companies that do not have their registered office in emerging markets but either (i) carry out a predominant proportion of their business activity in these markets, or (ii) are holding companies which predominantly own companies with registered offices in emerging markets.

In this context, the term "emerging markets" means countries included in the MSCI World Emerging Markets Index and/or those included in the World Bank definition of developing economies or those countries which are, in the Investment Manager's opinion, developing countries.

The fund may also invest in American Depositary Receipts ("ADRs") investing in securities issued by companies incorporated in emerging markets or in any similar listed securities of emerging companies.

The return will be a combination of capital and income returns.

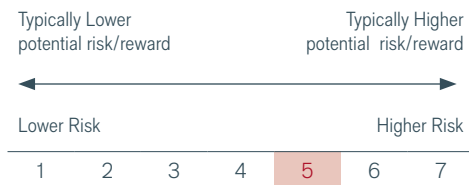
The fund may also invest at the Manager's discretion in other transferable securities, money market instruments, cash and near cash, derivative instruments and forward transactions, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging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

Risk and reward profile

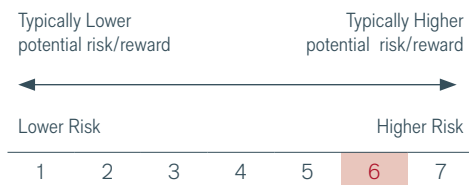
The fund currently has 6 types of share class in issue:

A accumulation, C accumulation, I accumulation, I income, I USD accumulation and Z accumulation.

The risk and reward profile of A accumulation, C accumulation and I accumulation share classes have the same risk and reward profile which is as follows:



The risk and reward profile of I income, I USD accumulation and Z accumulation share classes have the same risk and reward profile which 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 5 out of 7 (A accumulation, C accumulation and I accumulation) and 6 out of 7 (I income, I USD accumulation and Z accumulation). 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.

Emerging markets risk Emerging markets are less established and more prone to political events than developed markets. This can mean both higher volatility and a greater risk of loss to the fund than investing in more developed markets.

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 A accumulation, C accumulation and I accumulation has decreased from 6 to 5 during the year, the other share classes remain the same.

Class I USD accumulation launched 6 November 2015, Class Z accumulation launched 11 February 2016 and Class I income launched 11 July 2016, as these share classes do not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

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

Investment review

The fund rose in value during the year, returning 35.4% in sterling terms. Our strategy of owning high quality companies with properly aligned controlling shareholders and strong records of delivery underperformed the benchmark, which returned 44.2%. We have continued to add value and outperform over longer time horizons, as we continue to invest with an absolute return mindset.

The fund's returns were helped by investments in South Africa, with our holdings in food retailer Shoprite and financial services company Standard Bank performing strongly. Fuyao Glass, a Chinese auto glass manufacturer, also saw very strong gains during the period, as the market started to recognise and reward the global footprint that it is building. We believe that there are other companies based in China following a similar path to Fuyao, and have recently started a position in Greatview Aseptic. It is a privately owned Chinese multinational company, focused on the manufacturing of aseptic packaging materials used in the food and beverage industries. It was founded by ex-employees of market leader Tetra Pak. Greatview was able to capture considerable market share in China through a devotion to producing quality products at a reasonable price. Jeff Bi, one of the original founders (and a large shareholder), still leads the company. His leadership and commitment to creating a high quality company have resonated with customers, opening doors beyond the domestic Chinese market. The market is offering shares at an attractive price, in relation to Greatview's long term growth opportunity.

Investment review (continued)

The portfolio has a bias towards companies listed in markets that bore the brunt of commodity declines, such as Brazil, Chile and South Africa. The economic shock resulted in weaker currencies, more attractive valuations and the possibility of improving national governance. During 2016, emerging middle class voters in South Africa delivered a message to the ruling African National Congress, demanding less corruption and more focus on improving living standards. In Brazil, recent political events appear to have delayed the implementation of market-friendly reforms, but they are, as of yet, not permanently derailed.

The portfolio also currently has a bias away from Chinese equities. This is due to the presence of a large number of state controlled enterprises, which raises concerns over the alignment with minority

shareholders. In our opinion, there is a significant risk that a large number of these corporations are required to perform 'national service' rather than focus on profitable growth and returning profits to shareholders. This means that the opportunity set for absolute return minded, long term investors within China appears limited.

We believe that it is important not to compromise on quality, to maintain a long term approach and to apply a strict valuation discipline. Instinctively, we find ourselves becoming more cautious as shorter term market commentators become bullish on lower quality and more cyclical emerging market assets. With a long term perspective, we are positive about the opportunity set that emerging markets offers equity investors, which is being created by the structural trend of rising living standards in some parts of the developing world.

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 Emerging Markets Opportunities Fund	35.4	(4.7)	9.4	(6.7)	16.0
MSCI World Emerging Markets Index	44.2	(13.3)	10.3	(5.5)	16.2

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	1.76	1.78
Class C	0.63	0.64
Class I	0.91 ¹	0.93 ²
Class Z	0.10	0.14 ³

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).

¹ Class I income launched on 11 July 2016.

² Class I USD accumulation launched on 6 November 2015.

³ Class Z launched on 11 February 2016.

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	149.52	155.77	142.26	454.16	467.77	422.38
Return before operating charges*	54.27	(3.71)	16.21	165.33	(10.84)	48.31
Operating charges	(3.27)	(2.54)	(2.70)	(3.57)	(2.77)	(2.92)
Return after operating charges*	51.00	(6.25)	13.51	161.76	(13.61)	45.39
Distributions on accumulation shares	(1.19)	(0.88)	(1.01)	(10.08)	(7.49)	(8.19)
Retained distributions on accumulation shares	1.19	0.88	1.01	10.08	7.49	8.19
Closing net asset value per share	200.52	149.52	155.77	615.92	454.16	467.77
* after direct transaction costs of:	0.30	0.32	0.96	0.92	0.97	2.87
Performance						
Return after charges	34.11%	(4.01%)	9.50%	35.62%	(2.91%)	10.75%
Other information						
Closing net asset value (£000s)	92,734	70,177	97,174	23,254	19,439	20,249
Closing number of shares	46,246,993	46,934,448	62,385,342	3,775,408	4,280,085	4,328,767
Operating charges	1.76%	1.78%	1.77%	0.63%	0.64%	0.64%
Direct transaction costs	0.16%	0.22%	0.63%	0.16%	0.22%	0.63%
Prices						
Highest share price (pence)	205.30	157.10	165.40	629.30	476.40	496.10
Lowest share price (pence)	150.70	129.90	141.50	457.80	392.10	422.80

Comparative tables (continued)

	Class I accumulation		
	2017	2016	2015
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	109.61	113.22	102.52
Return before operating charges*	39.90	0.47	14.94
Operating charges	(1.26)	(4.08)	(4.24)
Return after operating charges*	38.64	(3.61)	10.70
Distributions on accumulation shares	(2.05)	(1.51)	(1.68)
Retained distributions on accumulation shares	2.05	1.51	1.68
Closing net asset value per share	148.25	109.61	113.22
* after direct transaction costs of:	0.22	0.97	2.87
Performance			
Return after charges	35.25%	(3.19%)	10.44%
Other information			
Closing net asset value (£000s)	247,329	78,725	21,916
Closing number of shares	166,836,868	71,820,070	19,356,975
Operating charges	0.91%	0.93%	0.93%
Direct transaction costs	0.16%	0.22%	0.63%
Prices			
Highest share price (pence)	151.60	115.00	120.10
Lowest share price (pence)	110.50	94.83	102.50

Class I income

	2017 (pence per share)
Change in net assets per share	
Opening net asset value per share	100.00 ¹
Return before operating charges*	15.80
Operating charges	(1.01)
Return after operating charges*	14.79
Distributions on income shares	(1.61)
Closing net asset value per share	113.18
* after direct transaction costs of:	0.18
Performance	
Return after charges	14.79%
Other information	
Closing net asset value (£000s)	31,779
Closing number of shares	28,078,340
Operating charges	0.91%
Direct transaction costs	0.16%
Prices	
Highest share price (pence)	116.80
Lowest share price (pence)	98.40

¹ Class I income launched 11 July 2016 and this is the first published price.

Comparative tables (continued)

	Class I USD accumulation		Class Z accumulation	
	2017 (pence per share)	2016 (pence per share)	2017 (pence per share)	2016 (pence per share)
Change in net assets per share				
Opening net asset value per share	69.16	65.33 ¹	270.44	244.80 ²
Return before operating charges*	21.12	4.45	98.47	26.15
Operating charges	(0.81)	(0.62)	(0.34)	(0.51)
Return after operating charges*	20.31	3.83	98.13	25.64
Distributions on accumulation shares	(1.10)	(0.49)	(7.80)	(1.81)
Retained distributions on accumulation shares	1.10	0.49	7.80	1.81
Closing net asset value per share	89.47	69.16	368.57	270.44
* after direct transaction costs of:	0.14	0.15	0.55	0.61
Performance				
Return after charges	29.37%	5.86%	36.29%	10.47%
Other information				
Closing net asset value (£000s)	97	1	33,494	32,021
Closing number of shares	108,850	1,000	9,087,710	11,840,261
Operating charges	0.91%	0.93%	0.10%	0.14%
Direct transaction costs	0.16%	0.22%	0.16%	0.22%
Prices				
Highest share price	122.60	104.10	376.20	283.50
Lowest share price	100.50	84.52	272.60	244.80

¹ Class I USD accumulation launched 6 November 2015 and this is the first published price.

² Class Z accumulation launched 11 February 2016 and this is the first published price.

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 disclosures

The following share classes have launched in the year:

Share class	Launch date
Class I income	11 July 2016

There were no share class closures in the year.

Past performance is not a guide to future performance.

Major holdings	
as at 2017	%
Tiger Brands	3.83
Uni-President Enterprises	3.57
Standard Bank	3.36
CCU	3.11
Newcrest Mining	3.06
Housing Development Finance	2.97
Standard Foods	2.58
Heineken Holdings	2.55
Duratex	2.43
Inversiones Aguas Metropolitanas	2.32

Major holdings	
as at 2016	%
Housing Development Finance	3.36
Grupo Herdez	3.31
Uni-President Enterprises	3.25
Inversiones Aguas Metropolitanas	3.16
Fuyao Glass Industry	3.02
MAHLE Metal Leve	3.00
Standard Foods	2.93
CCU	2.89
Standard Bank	2.86
Bank Pekao	2.83

Asset allocation	
as at 2017	%
Taiwan	12.41
India	12.22
South Africa	11.99
Chile	11.39
Brazil	9.17
United Kingdom	4.94
South Korea	4.91
China	4.31
Thailand	3.34
Australia	3.06
Mexico	2.80
Netherlands	2.55
Philippines	1.86
Hong Kong	1.45
Nigeria	1.33
Czech Republic	1.22
Egypt	1.03
United States	1.01
France	0.86
Malaysia	0.85
Poland	0.60
Turkey	0.21
Other net assets	6.49
Total net assets	100.00

Asset allocation	
as at 2016	%
India	13.77
Chile	11.56
Taiwan	10.42
Brazil	9.81
South Africa	8.35
China	6.25
United Kingdom	5.57
Mexico	4.36
South Korea	2.93
Italy	2.83
Thailand	2.73
Malaysia	2.34
Australia	2.29
Hong Kong	2.27
Philippines	1.91
Nigeria	1.89
Switzerland	1.63
United States	1.35
Czech Republic	1.30
France	0.95
Egypt	0.74
Turkey	0.55
Netherlands	0.14
Other net assets	4.06
Total net assets	100.00

Report and accounts

This document is a short report of the Henderson Emerging Markets Opportunities 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
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

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Auditor

PricewaterhouseCoopers LLP
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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 Emerging Markets Opportunities 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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