



INTERIM SHORT REPORT

For the six months ended
30 April 2017

Janus Henderson
— INVESTORS —

**Henderson Institutional European Index Opportunities Fund
(formerly Henderson Institutional European Enhanced Equity Fund)**

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Short Report

For the six months ended 30 April 2017

Investment Fund Manager

Janus Henderson Multi Strategy Equities Team

Other information

On 1 November 2016 Henderson Institutional European Enhanced Equity Fund changed its name to Henderson Institutional European Index Opportunities Fund. The fund's investment objectives and policies have also been revised with effect from 1 November 2016.

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 deliver a return in excess of the FTSE customised Developed Europe ex UK Index, the "reference index", (or such other index as may from time to time replace it) before management fees, while carefully controlling deviation from the reference index.

The fund will invest primarily in shares of European companies included in the reference index. The fund's holdings are principally selected to replicate the components of the reference index. The index will not be identically replicated and this can lead to differences in performance. There are no restrictions on the size of the companies in which the fund may invest.

In addition to seeking to reflect the index, the fund manager will make use of investment strategies aimed at enhancing returns. These seek to generate returns based on differences in the prices of securities issued by, or associated with, companies that form part of the reference index. They can include, but are not limited to, liquidity strategies (investing in 'blocks of stock' at discounted prices), and relative value strategies (taking advantage of differences between the prices of securities related to the same company).

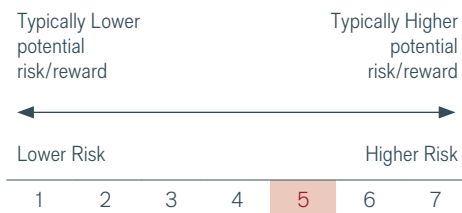
Further details explaining the investment strategies are available on the funds' pages on our website (www.janushenderson.com).

The fund may invest the Scheme Property in transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Derivatives and forward transactions may be used by the fund for investment purposes, in achieving the enhancements to the index return and for the purposes of efficient portfolio management.

Risk and reward profile

The fund currently has 3 types of share class in issue; Y accumulation, I accumulation and Z accumulation. Each type of share class has 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. 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:

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.

Index Opportunities risk Returns from investing in index enhancing opportunities may vary over time relative to the reference index. The managers do not, however, seek to take high levels of risk and Investors should therefore expect the typical level of enhancement of returns to be low. The deduction of ongoing charges and transaction costs means the fund can be expected to underperform the reference index. Strategies aimed at enhancing returns depend on the manager skill and decision-making; this therefore carries the risk of underperformance if unsuccessful decisions are made.

Leverage risk Leverage arises from entering into contracts or derivatives whose terms have the effect of magnifying an outcome, meaning profits and losses from investment can be greater.

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 risk rating changed from 6 to 5 in the period on all share classes.

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

Investment review

The fund outperformed its benchmark over the six month period to the end of April 2017, with all four strategies contributing positively to this outperformance.

The Relative Value strategy contributed the most to performance over the period, with both the convertible and mandatory bond sub-strategies driving returns. With Telecom Italia's mandatory bonds expiring in November, the uncertainty over the final conversion terms continued to weigh on the valuation. However, this meant that higher returns were available to those willing to hold until maturity. At these levels, we felt more than compensated for the risks associated with hedging into expiry; subsequently, this proved very profitable for the fund. The primary convertible market continued to be active over the period, with geological data company Fugro's €190m new issue performing particularly well – so well that, by the end of March, we had closed the position. The fund also benefited from a position in the mandatory convertible bonds of healthcare manufacturer Bayer. The relatively high coupon and dividend protection mean the fund is earning more carry than would be available through the ordinary stock holding. The long-held position in Scandinavian airline SAS was also positive.

Activity in the Liquidity strategy was muted early in the period, with a lower trade count, given the political events at the end of 2016. However, as 2017 began, activity levels picked up, in keeping with prior years. Given the backlog, we would expect this activity to continue to rise. A notable contribution came from Spanish bank Banco De Sabadell; the position benefited as financials outperformed the wider market, following renewed expectations of higher inflation after the Trump election win. Likewise, a positive contribution came from German energy company E.ON, which came to the market to raise €1.3bn to help strengthen its highly indebted balance sheet. On the negative side, German property company Deutsche Wohnen issued a new convertible bond and equity, to part fund an acquisition and retire an existing convertible bond; however, the stock underperformed the wider market following the placing.

The Fundamental strategy had a strong end to 2016, as the sector rotation continued out of long duration, defensive sectors into more cyclical sectors. However, this trend saw a degree of reversal as 2017 began, as some cyclicals gave back their gains from the post US presidential election rally. Scandinavian broadcaster Modern Times Group saw earnings beat expectations, as cost cutting and premium content helped both bottom and top line – the wider sector also benefited, as 21st Century Fox looked to buy out the remaining shares in Sky. The fund's technology stocks benefited, as the semiconductor cycle remains strong. Norwegian insurer Storebrand announced it would pay a dividend again – for the first time in

six years. Danish biotech company Bavarian Nordic also saw positive results for some of its vaccine trials. On the downside, shares in auto safety systems provider Autoliv suffered, as the company guided conservatively on growth prospects.

The main "event" in the Event Driven strategy during the period was the position in Syngenta, which is in the process of being acquired by China National Chemical. Initially, the Syngenta share price suffered,

as the European regulatory process moved to a Phase 2 review, which was a disappointment after expectations had been set for an extended Phase 1 approval. The shares recovered strongly, however, in 2017, as the acquisition moved a step closer to completion, with both US and EU competition commissions looking to clear the transaction. During the period, the fund also initiated a new position in Swiss pharmaceutical company Actelion, which Johnson & Johnson agreed to buy for \$30bn.

Performance summary

Cumulative performance	Six months	One year	Five years	Since launch
	31 Oct 16-30 Apr 17 %	30 Apr 16-30 Apr 17 %	30 Apr 12-30 Apr 17 %	20 Dec 05-30 Apr 17 %
Henderson Institutional European Index Opportunities Fund* (formerly Henderson Institutional European Enhanced Equity Fund)	9.7	29.2	99.1	135.40
FTSE All World Developed Europe ex UK Index**	9.2	28.2	90.7	124.0

Discrete performance	30 Apr 16-30 Apr 17 %	30 Apr 15-30 Apr 16 %	30 Apr 14-30 Apr 15 %	30 Apr 13-30 Apr 14 %	30 Apr 12-30 Apr 13 %
	Henderson Institutional European Index Opportunities Fund* (formerly Henderson Institutional European Enhanced Equity Fund)	29.2	(3.3)	7.3	16.2

Source: Janus Henderson Investors and FTSE.

* Fund returns calculated using close of business prices on a gross asset value basis in GBP, based on performance of Class Z accumulation.

** Customised net dividends reinvested (Market Capitalisation weighted index of Austria, Belgium/Luxembourg, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden and Switzerland).

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 April, 31 October	30 June, 31 December

Ongoing charge figure

	30/04/17 %	31/10/16 %
Class I	0.80	0.80
Class Y	0.80	0.80
Class Z	0.05	0.04

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 six months ended 30 April 2017

	Class I accumulation			
	30/04/17 (pence per share)	31/10/16 (pence per share)	31/10/15 (pence per share)	31/10/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	146.80	122.71	116.38	117.84
Return before operating charges*	14.18	25.11	7.32	(0.51)
Operating charges	(0.60)	(1.02)	(0.99)	(0.95)
Return after operating charges*	13.58	24.09	6.33	(1.46)
Distributions on accumulation shares	(1.39)	(3.25)	(2.90)	(2.69)
Retained distributions on accumulation shares	1.39	3.25	2.90	2.69
Closing net asset value per share	160.38	146.80	122.71	116.38
* after direct transaction costs of:	-	-	-	0.04
Performance				
Return after charges	9.25%	19.63%	5.44%	(1.24%)
Other information				
Closing net asset value (£000s)	11,716	11,041	9,163	11,969
Closing number of shares	7,305,148	7,520,677	7,466,611	10,284,671
Operating charges (annualised)	0.80%	0.80%	0.80%	0.80%
Direct transaction costs	0.00%	0.00%	0.00%	0.04%
Prices				
Highest share price (pence)	161.55	148.48	134.84	125.17
Lowest share price (pence)	135.83	110.48	114.26	107.09

Comparative tables (continued)

	Class Y accumulation			
	30/04/17 (pence per share)	31/10/16 (pence per share)	31/10/15 (pence per share)	31/10/14 (pence per share)
Change in net assets per share				
Opening net asset value per share	201.96	168.82	160.13	162.15
Return before operating charges*	19.52	34.55	10.06	(0.71)
Operating charges	(0.83)	(1.41)	(1.37)	(1.31)
Return after operating charges*	18.69	33.14	8.69	(2.02)
Distributions on accumulation shares	(1.92)	(4.47)	(3.99)	(3.69)
Retained distributions on accumulation shares	1.92	4.47	3.99	3.69
Closing net asset value per share	220.65	201.96	168.82	160.13
* after direct transaction costs of:	-	-	-	0.06
Performance				
Return after charges	9.25%	19.63%	5.43%	(1.25%)
Other information				
Closing net asset value (£000s)	50,950	51,569	43,107	40,887
Closing number of shares	23,090,787	25,534,280	25,534,280	25,534,280
Operating charges (annualised)	0.80%	0.80%	0.80%	0.80%
Direct transaction costs	0.00%	0.00%	0.00%	0.04%
Prices				
Highest share price (pence)	222.26	204.28	185.50	172.23
Lowest share price (pence)	186.86	151.99	157.19	147.32

Comparative tables (continued)

	Class Z accumulation			
	30/04/17	31/10/16	31/10/15	31/10/14
	(pence per share)	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share				
Opening net asset value per share	212.21	176.33	166.23	167.27
Return before operating charges*	20.51	35.95	10.19	(0.96)
Operating charges	(0.06)	(0.07)	(0.09)	(0.08)
Return after operating charges*	20.45	35.88	10.10	(1.04)
Distributions on accumulation shares	(2.78)	(5.79)	(5.23)	(4.84)
Retained distributions on accumulation shares	2.78	5.79	5.23	4.84
Closing net asset value per share	232.66	212.21	176.33	166.23
* after direct transaction costs of:	-	-	-	0.06
Performance				
Return after charges	9.64%	20.35%	6.08%	(0.62%)
Other information				
Closing net asset value (£000s)	375,976	371,655	361,602	372,487
Closing number of shares	161,602,165	175,136,923	205,076,932	224,083,048
Operating charges (annualised)	0.05%	0.04%	0.05%	0.05%
Direct transaction costs	0.00%	0.00%	0.00%	0.04%
Prices				
Highest share price (pence)	234.33	214.57	193.10	178.45
Lowest share price (pence)	196.47	159.01	163.78	152.91

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.

Share class launches and closures

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

Past performance is not a guide to future performance.

Major holdings

as at 30/04/17	%
Nestlé	3.72
Novartis	2.95
Roche Holdings	2.90
Total	1.87
Sanofi	1.77
Banco Santander	1.48
Anheuser-Busch InBev	1.41
Unilever	1.28
Novo Nordisk 'B'	1.20
Bayer Capital 5.625% 22/11/2019	1.09

Major holdings

as at 31/10/16	%
Nestlé	4.14
Novartis	3.20
Roche Holdings	2.98
Total	2.02
Anheuser-Busch InBev	1.71
Sanofi	1.66
Banco Santander	1.27
Novo Nordisk 'B'	1.26
Unilever	1.12
BNP Paribas	1.02

Asset allocation	
as at 30/04/17	%
France	21.76
Switzerland	19.54
Spain	7.64
Germany	7.53
Sweden	6.83
Netherlands	5.32
Italy	4.82
Denmark	3.95
Belgium	2.65
Finland	2.14
United Kingdom	1.94
Norway	1.56
Luxembourg	0.57
Austria	0.55
Portugal	0.35
United States	0.28
Ireland	0.17
Poland	0.01
Greece	0.00
Derivatives	0.49
Other net assets	11.90
Total net assets	100.00

Asset allocation	
as at 31/10/16	%
France	21.92
Switzerland	20.60
Germany	8.28
Spain	7.36
Sweden	6.78
Netherlands	5.46
Italy	5.35
Denmark	4.11
Belgium	2.97
Finland	2.26
Norway	1.71
United Kingdom	1.67
Luxembourg	0.69
Austria	0.54
Portugal	0.35
Ireland	0.20
United States	0.20
Derivatives	0.20
Other net assets	9.35
Total net assets	100.00

Report and accounts

This document is a short report of the Henderson Institutional European Index Opportunities Fund (formerly Henderson Institutional European Enhanced Equity Fund) for the six months ended 30 April 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 period it covers and the results of those activities at the end of the period.

Issued by:

Henderson Investment Funds Limited
Registered office:
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authorised and regulated
by the Financial Conduct Authority.
Registered in England No 2678531

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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.

Depository

National Westminster Bank Plc
135 Bishopsgate
London EC2M 3UR

Auditor

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow
G2 7EQ

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 e-mail 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 Institutional European Index Opportunities Fund (formerly Henderson Institutional European Enhanced Equity 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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