

**Janus Capital Management LLC
Verification and Perkins Large Cap Value Composite Performance
Examination Report**

December 31, 2017



Verification and Performance Examination Report

Janus Capital Management LLC
151 Detroit Street
Denver, CO 80246

We have verified whether Janus Capital Management LLC (the "Firm") (1) has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods from January 1, 2004 through December 31, 2017, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2017. We have also conducted a performance examination of the Firm's Perkins Large Cap Value Composite for the periods from October 1, 2006 through December 31, 2017. The Firm's management is responsible for compliance with the GIPS standards and the design of its policies and procedures and for the Perkins Large Cap Value Composite's compliant presentation. Our responsibility is to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, the Firm has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from January 1, 2004 through December 31, 2017; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2017.

Also, in our opinion, the Firm has, in all material respects:

- Constructed the Perkins Large Cap Value Composite and calculated the Perkins Large Cap Value Composite's performance for the periods from October 1, 2006 through December 31, 2017 in compliance with the GIPS standards; and
- Prepared and presented the Perkins Large Cap Value Composite's accompanying compliant presentation for the periods from January 1, 2008 through December 31, 2017 in compliance with the GIPS standards.

This report does not relate to or provide assurance on any composite compliant presentation of the Firm other than the Firm's Perkins Large Cap Value Composite.

ACA Performance Services, LLC

ACA Performance Services, LLC
March 21, 2019

Janus Capital Management LLC
Perkins Large Cap Value Composite
January 1, 2008 through December 31, 2017

Year	Gross Return (%)	Net Return (%)	Russell 1000® Value Index Return (%)	Internal Dispersion (%)	As of December 31		
					Number of Accounts	Composite Assets (\$ millions)	Total Firm Assets (\$ millions)
2017	15.33	14.71	13.66	n/a	∞	204.9	158,297
2016	13.27	12.65	17.34	n/a	∞	228.1	138,176
2015	-2.53	-3.07	-3.83	n/a	∞	291.9	132,397
2014	11.85	11.25	13.45	n/a	∞	321.6	130,145
2013	28.50	27.81	32.53	n/a	∞	302.6	124,568
2012	14.67	14.05	17.51	n/a	∞	285.0	114,827
2011	0.63	0.08	0.39	n/a	∞	251.3	107,120
2010	13.54	12.92	15.51	n/a	∞	154.6	123,276
2009	22.73	22.06	19.69	n/a	∞	68.2	111,259
2008	-31.32	-31.74	-36.85	n/a	∞	9.9	80,818

1. Janus Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Janus has been independently verified for the periods January 1, 1994 through December 31, 2017.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Perkins Large Cap Value Composite has been examined for the periods October 1, 2006 through December 31, 2017. The verification and performance examination reports are available upon request.

2. For the purpose of complying with the GIPS standards, the firm is defined as Janus Capital Management LLC (Janus), an independent investment advisor registered under the Investment Advisers Act of 1940. The firm also includes assets under management of Janus Capital Singapore Pte. Limited, and Perkins Investment Management LLC, wholly-owned subsidiaries of Janus Capital Group Inc. Effective May 30, 2017, Janus Capital Group Inc. and Henderson Group plc merged to form Janus Henderson Group plc. Effective January 1, 2018, a new GIPS firm, Janus Henderson Investors, was formed as a result of the merger of the predecessor GIPS firms Janus Capital Management LLC and Henderson Global Investors, which previously claimed compliance since January 1, 1994 and January 1, 2009, respectively. A complete list and description of composites and policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.
3. Effective January 1, 2009, the Perkins Large Cap Value Composite includes all fully discretionary, fee-paying accounts (excluding wrap accounts) invested in this strategy. Accounts in this composite are broadly diversified and seek to identify quality large sized US companies trading at discounted prices with favorable risk reward potential. The strategy emphasizes common stocks of companies with market capitalizations above \$10 billion. A typical portfolio will contain 50 to 70 securities. The composite was created in July 2008. Prior to January 1, 2009, the composite included separately managed institutional accounts and sub-advised pooled funds. In December 2009 Janus acquired the Large Cap Value (LCV) strategy of PWMCO, LLC. Accounts included in the PWMCO LLC LCV strategy are managed in a substantially similar fashion to the Perkins Large Cap Value Composite; as such Composite performance has been restated back to October 1, 2006, the inception of the PWMCO LLC Large Cap Value strategy.

4. Account returns are presented both gross and net of management fees. All account returns are net of transaction costs and gross of non-reclaimable withholding taxes, if any, and reflect the reinvestment of dividends and other earnings. Monthly composite returns are calculated by weighting each account's monthly return by its relative beginning market value. All returns are expressed in U.S. dollars.
5. The Russell 1000 Value Index returns are provided to represent the investment environment existing during the time periods shown. The index is fully invested, which includes the reinvestment of dividends and capital gains. The returns for the index do not include any transaction costs, management fees or other costs. The index is not covered by the report of independent verifiers.
6. The dispersion of annual returns is measured by the asset weighted standard deviation of account returns represented within the composite for the full year. For those periods with five or fewer accounts included for the entire year, "n/a" is noted as the dispersion is not considered meaningful.
7. The three-year annualized ex-post standard deviation measures the variability of the monthly gross returns of the composite and the benchmark over the preceding 36 months.

December 31	3-Yr Annualized Standard Deviation (%)	
	Composite	Benchmark
2017	9.52	10.34
2016	9.99	10.93
2015	9.97	10.83
2014	8.51	9.33
2013	11.70	12.88
2012	14.12	15.73
2011	17.39	20.98
2010	20.04	23.51

8. The net returns shown are net of model investment advisory fees. Net returns are derived using the maximum fee rate in effect, adjusted for performance-based fees where applicable. Actual advisory fees can vary among clients invested in this strategy.
9. Effective June 2011 the current standard fee schedule for separately managed accounts is as follows: 0.55% on the first \$100 million; 0.45% on the next \$100 million; 0.42% on the next \$100 million; and 0.40% on amounts above \$300 million.
10. Performance figures are based upon historical information and do not guarantee future results. Prospective clients should recognize the limitations inherent in composites, and should consider all information presented by Janus regarding the firm's investment management capabilities. Composite performance figures include changes in principal value, reinvested income and capital gains distribution.