



## PRODUCT KEY FACTS

Janus Capital Funds plc (“JCF”)  
Janus Balanced Fund (the “Fund”)  
28 April 2014

- This document provides you with key information about the Fund.
- This document forms a part of and should be read in conjunction with the Hong Kong Offering Document.
- You should not invest in this product based on this document alone.

### Quick facts

<b>Investment Adviser:</b>	Janus Capital International Limited
<b>Sub-Investment Adviser:</b>	Janus Capital Management LLC, a US company (internal delegation)
<b>Custodian:</b>	Citibank International plc, Ireland Branch
<b>Dealing Frequency:</b>	Daily (generally any day on which the New York Stock Exchange is open for business) (“Business Day”)
<b>Base Currency:</b>	US Dollar
<b>Minimum Investment:</b>	

Share Classes		Initial	Additional
<b>US Dollar</b>			
Class A\$acc	Class A\$inc*	US\$2,500	US\$100
Class B\$acc			
<b>Euro</b>			
Class A€acc	Class A€inc*	€2,500	€100
<b>Hong Kong Dollar</b>			
Class AHK\$acc	Class AHK\$inc*	HK\$15,000	HK\$750
<b>Australian Dollar</b>			
Class AAUD\$acc	Class AAUD\$inc*	AUD\$2,500	AUD\$100
<b>Canadian Dollar</b>			
Class ACAD\$acc	Class ACAD\$inc*	CAD\$2,500	CAD\$100
<b>New Zealand Dollar</b>			
Class ANZD\$acc	Class ANZD\$inc*	NZD\$2,500	NZD\$100
<b>Singapore Dollar</b>			
Class ASGD\$acc	Class ASGD\$inc*	SGD\$2,500	SGD\$100

*Please contact the Distributor and/ or Hong Kong Representative for further information on Share Classes available to investors.*

**Dividend Policy:** The ‘inc’ share classes will distribute dividends (if any) monthly. The Fund will not declare or make dividend payments on ‘acc’ share classes.

\*For this Share Class, JCF may at its discretion (i) pay dividends out of the capital of the Fund; and (ii) pay dividends out of gross income while charging all or part of the fees and expenses in respect of the Share Class to the capital of the Fund, resulting in an increase in distributable income available for the payment of dividends by the Fund and therefore, the Fund may effectively pay dividends out of capital. This may result in an immediate reduction of the Fund’s net asset value per share for the Share Class.

**Financial Year End of the Fund:** 31 December

## What is this product?

The Fund is a sub-fund of JCF which is constituted in the form of a mutual fund. JCF is domiciled in Ireland and established as an umbrella fund with segregated liability between sub-funds. JCF's home regulator is the Central Bank of Ireland (the "Central Bank").

## Objective and Investment Strategy

The Fund's investment objective is to seek long-term capital growth, consistent with preservation of capital and balanced by current income.

The Fund pursues its objective by investing 35%-65% of its net asset value in securities of US companies selected mainly for their growth potential, such as common stocks, and 35%-65% of its net asset value in debt securities of US issuers selected mainly for their income potential, such as debt securities (including convertible and non-convertible corporate debt securities, fixed and floating rate bonds, zero-coupon and discount bonds, debentures, certificates of deposit, bankers acceptances, commercial paper and treasury bills, but excluding loan participations).

The Fund may invest up to 25% of its net asset value in debt securities rated below investment grade.

No more than 10% of the net asset value of the Fund may be invested in securities trade on any one emerging market and the aggregate amount of the Fund which may be invested in securities traded on the emerging markets is 20% of the net asset value of the Fund.

The Fund will not invest substantially in financial derivative instruments ("FDI") for investment purposes. The Fund may employ investment techniques and instruments, such as trading in futures, options and swaps and other FDIs both for efficient portfolio management and, subject to a limit of 10% of its NAV, for investment purposes, principally to achieve a reduction of risk, reduction of costs, generation of additional capital or income for the Fund, access to markets not otherwise available or immediately available, to synthetically short or to endeavour to limit losses in emergency market conditions. Foreign exchange hedging is deployed at class level and may be deployed at security level.

## What are the key risks?

**Investment involves risks. Please refer to the Hong Kong Offering Document for details including the risk factors.**

### 1. Risk of Investing in Securities

There can be no assurance that the Fund will achieve its investment objective. The value of shares of the Fund and the income from them may rise or fall, as the capital value of the securities in which the Fund invests may fluctuate. The investment income of a Fund is based on the income earned on the securities it holds, less expenses incurred. Therefore, the Fund's investment income may be expected to fluctuate in response to changes in such expenses or income.

### 2. Interest and Credit Risk

- The debt or interest bearing component of this Fund, if any, depends primarily on interest rate risk and credit risk. Interest rate risk is the risk that the value of a portfolio will fluctuate in response to changes in interest rates. Generally, the value of debt securities will tend to decrease in value when interest rates rise and increase in value when interest rates fall. Shorter term securities are less sensitive to interest rate changes than longer term securities, but they also usually offer lower yields. Subject to applicable maturity restrictions, the Fund will vary the average maturity of its portfolio based on a Sub-Investment Adviser's analysis of interest rate trends and other factors.
- The Fund is subject to credit risk which is the risk that the issuer will be unable to make principal and interest payments when due, and the Fund's net asset value may as a result be adversely affected.

### **3. Loan Participations**

The Fund may invest in floating rate commercial loans arranged through private negotiations between a corporation or other type of entity and one or more financial institutions (“Lender”). Such investment is expected to be in the form of participations in, or assignment of, the loans, which may or may not be securitised (“Participations”). They are subject to the risk of default by the underlying borrower and in certain circumstances to the credit risk of the Lender if the Participation only provides for the Fund having a contractual relationship with the Lender, not the borrower. Thus, the Fund may not have any right of set-off against the borrower nor directly benefit from any collateral supporting the loan.

### **4. Risk of Investing in FDI**

- The Fund may invest in FDIs for investment purposes. Given the leverage effect of FDIs, such investments may result in total or substantial loss.
- The price of FDIs may move in unexpected ways, especially in abnormal market conditions.
- FDIs involve other risks of loss, such as credit, currency, leverage, counterparty, liquidity, index, settlement default and interest risks.
- Increased margin calls and unlimited risk of loss are also risks which may arise through the use of FDI as is the potential inability to terminate or sell FDI positions.

### **5. High Yield Securities**

- The Fund may invest up to 25% of its net asset value in debt securities rated below investment grade.
- Such securities are generally subject to higher credit risk and a higher possibility of default than more highly rated securities. If the issuer defaults, investors may suffer substantial losses.
- Investments in securities rated below investment grade or unrated securities of similar quality may be considered more speculative than higher quality investments with respect to sensitivity to adverse changes in economic and political conditions, liquidity and volatility.

### **6. Emerging Markets Risk**

The Fund may invest its assets in emerging markets. Investing in emerging markets involves greater risks of loss than investing in more developed markets due to, among other factors, currency and exchange control risks, political and economic risks, legal and regulatory risk and custodial risk. In addition, markets in emerging countries are generally less liquid and more volatile than developed markets.

### **7. Risks Relating to the Payment of Dividends Out of Capital and Charging of Fees and Expenses to Capital**

- For Class A\$inc, Class A€inc, Class AHK\$inc, Class AAUD\$inc, Class ACAD\$inc, Class ANZD\$inc and Class ASGD\$inc Shares of the Fund, JCF may at its discretion (i) pay dividends out of the capital of the Fund; and (ii) pay dividends out of gross income while charging all or part of the fees and expenses in respect of the relevant Share Class to the capital of the Fund. This may result in an immediate reduction of the Fund’s net asset value per share for the relevant Share Class.
- Investors should note that the payment of dividends out of capital and the payment of dividends out of gross income whilst charging fees and expenses to capital (which is deemed to be an effective payment of dividends out of the Fund’s capital) amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment.

### **Is there any guarantee?**

The Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund.

	Class A	Class B
<b>Subscription fee (Initial Sales Charge)</b> (% of the amount subscribed)	Up to 5.00%	Nil
<b>Switching fee</b> (Exchange Fee)	Nil	Nil
<b>Redemption Fee</b>	Nil	Nil
<b>Contingent Deferred Sales Charge</b> (% of the lesser of the net asset value per share at the date of redemption or the original cost of the shares to be redeemed)	Nil	4% (for holding period of less than 1 year) 3% (for holding period of 1 year and above but less than 2 years) 2% (for holding period of 2 years and above but less than 3 years) 1% (for holding period of 3 years and above but less than 4 years) nil (for holding period of 4 years and above)

### Ongoing fees payable by the Fund

The following ongoing fees and expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.

	Annual Rate (% of the net asset value of each class)	
	Class A	Class B
<b>Management Fee (Investment Management Fee)</b> The Fund pays to the Investment Adviser	1% (current and maximum permitted under the Prospectus for this Fund)	
<b>Custodian Fee</b> The Fund pays to the Custodian	Included in the "Expenses" below	
<b>Administration Fee</b> The Fund pays to the Administrator	Included in the "Expenses" below	
<b>Performance Fee</b>	Nil	
<b>Shareholder Service Fee</b> The Fund pays to the Distributor	0.75%	
<b>Distribution Fee</b> The Fund pays to the Distributor	Nil	Up to 1%
<b>Expenses</b> The Fund pays a fee for administration, accounting, custody services as part of its expenses	Up to 0.75%	
<b>Total Fees and Expenses Limit</b>	2.5%	3.5%

### Other fees

You may have to pay other fees when dealing in the shares of the Fund.

## Additional Information

- Applications for shares or requests for redemption or exchange of shares (“Orders”) can be sent to the Hong Kong Representative, which will endeavor to forward Orders received by 5:00 p.m. (Hong Kong time) on a business day to the Administrator as soon as practicable. Orders received by the Hong Kong Representative by such cut-off time and received by the Administrator in Dublin prior to the regular trading session of the New York Stock Exchange (normally 4:00 p.m. (New York time)) on the same day will be processed on that business day based on the Fund’s next-determined net asset value. Investors should note that the distributors may have earlier cut-off times.
- The net asset value per share of the Fund will be published on each Business Day in the Hong Kong Economic Times and the Standard.
- The composition (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) of the dividends for Class A\$inc, Class A€inc, Class AHK\$inc, Class AAUD\$inc, Class ACAD\$inc, Class ANZD\$inc and Class ASGD\$inc Shares of the Fund for the last 12 months (on a rolling basis) are available from the Hong Kong Representative on request and also on our website, [www.janusinternational.com](http://www.janusinternational.com). The aforementioned website has not been reviewed by the Hong Kong Securities and Futures Commission.
- The Hong Kong Representative, Janus Capital Asia Limited, can be contacted at Suite 2507-11, ICBC Tower, Citibank Plaza, 3 Garden Road, Central Hong Kong, telephone number (852) 3121 7000.

## Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.