

SEMIANNUAL REPORT

June 30, 2011

# Janus Aspen Series

---

Janus Aspen Enterprise Portfolio

## HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings



JANUS

# Table of Contents

## **Janus Aspen Series**

Useful Information About Your Portfolio Report.....	1
Management Commentary and Schedule of Investments.....	2
Statement of Assets and Liabilities.....	10
Statement of Operations.....	11
Statements of Changes in Net Assets.....	12
Financial Highlights.....	13
Notes to Schedule of Investments.....	14
Notes to Financial Statements.....	15
Additional Information.....	27
Explanations of Charts, Tables and Financial Statements.....	28

*Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, please call Janus at 1-877-335-2687 or download the file from [janus.com/variable-insurance](http://janus.com/variable-insurance). Read it carefully before you invest or send money.*

# Useful Information About Your Portfolio Report (unaudited)

## Management Commentary

The Management Commentary in this report includes valuable insight from the Portfolio's manager as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of domicile. However, the Portfolio's manager may allocate a company to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed by the Portfolio's manager in the Management Commentary are just that: opinions. They are a reflection of the manager's best judgment at the time this report was compiled, which was June 30, 2011. As the investing environment changes, so could the manager's opinions. These views are unique to the manager and aren't necessarily shared by fellow employees or by Janus in general.

## Portfolio Expenses

We believe it's important for our shareholders to have a clear understanding of Portfolio expenses and the impact they have on investment return.

**The following is important information regarding the Portfolio's Expense Example, which appears in the Portfolio's Management Commentary within this Semiannual Report. Please refer to this information when reviewing the Expense Example for the Portfolio.**

### Example

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs, including redemption fees, where applicable (and any related exchange fees) and (2) ongoing costs, including management fees; distribution and shareholder servicing (12b-1) fees (applicable to Service Shares only); and other Portfolio expenses. The example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of \$1,000

invested at the beginning of the period and held for the six-month period from January 1, 2011 to June 30, 2011.

## Actual Expenses

The first line of the table in each example provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

## Hypothetical Example for Comparison Purposes

The second line of the table in each example provides information about hypothetical account values and hypothetical expenses based upon the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the tables are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as redemption fees (where applicable) and any charges at the separate account level or contract level. These fees are fully described in the prospectus. Therefore, the second line of each table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

# Janus Aspen Enterprise Portfolio (unaudited)

## Portfolio Snapshot

We believe that investing in companies with predictable and sustainable growth can drive consistent returns and allow us to outperform our benchmark and peers over time with moderate risk. We seek to identify mid-cap companies with high-quality management teams that wisely allocate capital to fund and drive growth over time.



Brian Demail  
portfolio manager

## Performance Overview

During the six months ended June 30, 2011, Janus Aspen Enterprise Portfolio's Institutional Shares and Service Shares returned 6.59% and 6.47%, respectively. Meanwhile, the Portfolio's benchmark, the Russell Midcap Growth Index, returned 9.59%. Please see the Derivative Instruments section in the "Notes to Financial Statements" for derivatives used by the Portfolio.

## Economic Overview

U.S. equity markets began 2011 on a bullish note as strong corporate earnings and economic data lifted investor confidence. However, unrest in the Middle East, the tragic natural disaster in Japan and softening economic data in the U.S. all resulted in pressure on equities later in the period. The housing market remained weak while the unemployment rate rose to over 9%, raising concerns that economic growth has hit a soft patch. Despite these pressures, equities finished the period higher, largely due to gains achieved in the first three months of the year.

## Asset Class Overview

Mid-cap and large-cap stocks outperformed small-caps during the period, while growth significantly outperformed value in the mid-cap space. Within our index, the Russell Midcap Growth Index, consumer staples, utilities and health care were the strongest performing sectors, while telecommunications, industrials and energy were the weakest relative performers.

## Strategy Overview

While the Portfolio is driven by bottom up stock selection, it's important to consider some of the macro forces at work. Economic data points have slowed in recent months and non-farm jobs growth has stalled. Overheating in emerging markets has resulted in higher interest rates and cost of capital, and the Federal Reserve's second quantitative easing program (QE2) has wound down,

removing an important source of liquidity in the marketplace. The removal of QE2 may result in upward pressure on Treasury yields, raising financing costs and potentially slowing growth. Overall, we think there is upside risk to yields and downside risk to economic growth. Correlations rose in this environment as stocks traded around macro news more than company fundamentals, challenging performance for our strategy. We're still comfortable with our holdings in this environment, but we're being a bit more defensive and are emphasizing what we believe are higher quality companies.

In terms of positioning, we are continuing to minimize exposure to certain sectors while emphasizing others. The Portfolio is significantly underweight consumer-discretionary stocks due to our concerns about the maturity of various retail concepts and the growing threat from online distribution, which we think will be a powerful headwind for many companies. Traditional retailing is a high fixed-cost business with a lot of invested capital, long-term leases and buying commitments; if sales disappoint, the deleveraging effect can be profound. We prefer to focus on companies with high operating margins and variable cost structures. Within consumer discretionary (and to some extent staples) companies that meet our criteria tend to trade at exceptionally high valuations that are outside our comfort zone.

One of our largest overweights is in health care and we're excited about our positions in the sector. We have identified several innovative companies that are solving unmet medical needs. Those kinds of companies can deliver open-end, high-return growth, in our view, and benefit from aging populations in the West and emerging demand in the East. The sector is unloved and valuations are generally attractive. Our emphasis is on biotechnology companies, device makers and life sciences tool providers, while we are underweight health care services, which don't meet our criteria of high-return growth and innovation.

Another theme we like is industrial information services. With the proliferation of data, companies that can provide

## (unaudited)

insight and simplicity around information have opportunities for long-term growth. These companies often offer targeted solutions for individual industries and once they have a contract, they become embedded in corporate work processes. This can create significant barriers to entry that allows them to earn high returns over long periods. Valuations also look reasonable.

Our top individual detractor was Li & Fung. Revenue growth and margins were weaker than expected for the Hong Kong-based sourcing company. However, we're confident that revenue growth will re-accelerate as inflation picks up. As the cost of goods rises, Li & Fung should be able to pass on higher pricing to customers in the trading segment of its business. Given its scale and knowledge in the sourcing business we think the company will maintain its competitive advantage. Wal-Mart is an emerging customer and we're confident that the relationship will be profitable long-term.

Lamar Advertising was another key detractor. Shares of the company declined on concerns that local advertising has not rebounded sharply and that companies such as Groupon are taking share in the local ad market. Even with Groupon's growth, we believe it has taken only a small fraction of local ad dollars. We think that Lamar has an irreplaceable network of billboards and that its business will accelerate when the economy rebounds. In addition, the company has cut costs and closed unprofitable locations, which should drive profitability when its end markets recover.

Crown Castle was weak. This wireless tower company came under pressure due to concerns over consolidation among wireless carriers. Wireless carriers will continue to upgrade their networks, we believe, resulting in growing demand for tower space. We continue to feel strongly that Crown Castle will be able to improve free cash flow, generate strong returns on invested capital and create value over time.

Among our individual contributors, Valeant Pharmaceuticals was our top performer. We believe management has transformed the specialty pharmaceutical company by improving margins, incentives and the company's growth profile. Valeant has a strong and growing presence in two key emerging markets, Latin

America and Eastern Europe, and it has demonstrated an ability to make value-enhancing acquisitions.

Atmel continued to perform well. The semiconductor company has benefited from a restructuring program and success in its micro-controller business. In addition, the company's touch platform has proven to be among the best for tablets, a new significant growth market within technology.

Copart was also a key contributor. This online provider for vehicle auctions has strong competitive advantages and a long duration growth profile in our view. We like the company's shareholder-friendly management team and incentive structure.

### Outlook

Valuations in our space remain attractive. We still see profound disconnections in the value of growth stocks, which tend to have higher operating margins and cleaner balance sheets, relative to the market. Companies with higher growth rates, stronger balance sheets and higher returns on capital deserve to trade at a material P/E premium to companies with lower growth rates, more levered balance sheets and lower returns on capital. Yet the multiple differential between high growers and low growers remains at one of the narrowest levels in recent decades. If we hit a macroeconomic speed bump or if companies begin competing away record profit margins, then higher growth, higher quality equities could outperform.

We continue to keep an eye on the complex developments in the macro economy. However, we still believe that our greatest value-added to our investors and clients is in our ability to pick winning companies and stocks. By investing in high-return growth companies at valuations that we think are very reasonable relative to lower growth, lower return companies, we should be able to deliver good risk-adjusted returns. The Janus research team is focused on finding those individual company opportunities.

Thank you for your investment in Janus Aspen Enterprise Portfolio.

# Janus Aspen Enterprise Portfolio (unaudited)

## Janus Aspen Enterprise Portfolio At A Glance

5 Top Performers – Holdings		5 Bottom Performers – Holdings	
	Contribution		Contribution
Valeant Pharmaceuticals International, Inc.	0.73%	Li & Fung, Ltd.	-0.90%
Dresser-Rand Group, Inc.	0.59%	Lamar Advertising Co. – Class A	-0.36%
Atmel Corp.	0.50%	Crown Castle International Corp.	-0.31%
Copart, Inc.	0.39%	Staples, Inc.	-0.24%
Gen-Probe, Inc.	0.37%	Masimo Corp.	-0.17%

5 Top Performers – Sectors*			
	Portfolio Contribution	Portfolio Weighting (Average % of Equity)	Russell Midcap® Growth Index Weighting
Health Care	3.09%	21.45%	13.46%
Industrials	2.12%	24.15%	15.75%
Information Technology	2.09%	26.47%	23.11%
Energy	0.53%	6.43%	6.21%
Materials	0.31%	3.00%	6.97%

5 Bottom Performers – Sectors*			
	Portfolio Contribution	Portfolio Weighting (Average % of Equity)	Russell Midcap® Growth Index Weighting
Consumer Discretionary	-1.18%	6.63%	19.97%
Telecommunication Services	-0.31%	3.99%	1.75%
Financials	-0.20%	6.96%	7.19%
Utilities	0.00%	0.00%	0.29%
Consumer Staples	0.08%	0.92%	5.30%

Security contribution to performance is measured by using an algorithm that multiplies the daily performance of each security with the previous day's ending weight in the portfolio and is gross of advisory fees. Fixed income securities and certain equity securities, such as private placements and some share classes of equity securities, are excluded.

\* Based on sector classification according to the Global Industry Classification Standard codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.

(unaudited)

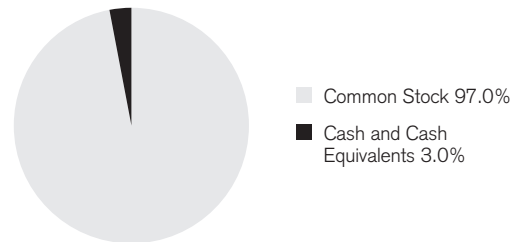
**5 Largest Equity Holdings – (% of Net Assets)**

As of June 30, 2011

Crown Castle International Corp. Wireless Equipment	3.8%
Verisk Analytics, Inc. Commercial Services – Finance	3.0%
IHS, Inc. – Class A Computer Services	2.9%
Dresser-Rand Group, Inc. Oil Field Machinery and Equipment	2.8%
Varian Medical Systems, Inc. Medical Products	2.6%
	<u>15.1%</u>

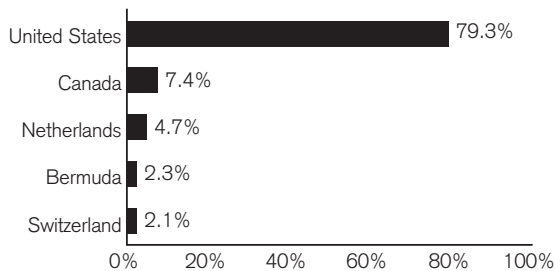
**Asset Allocation – (% of Net Assets)**

As of June 30, 2011

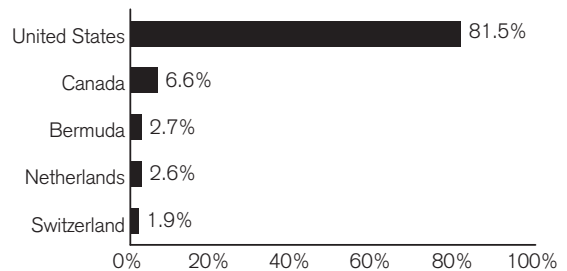


**Top Country Allocations – Long Positions (% of Investment Securities)**

As of June 30, 2011

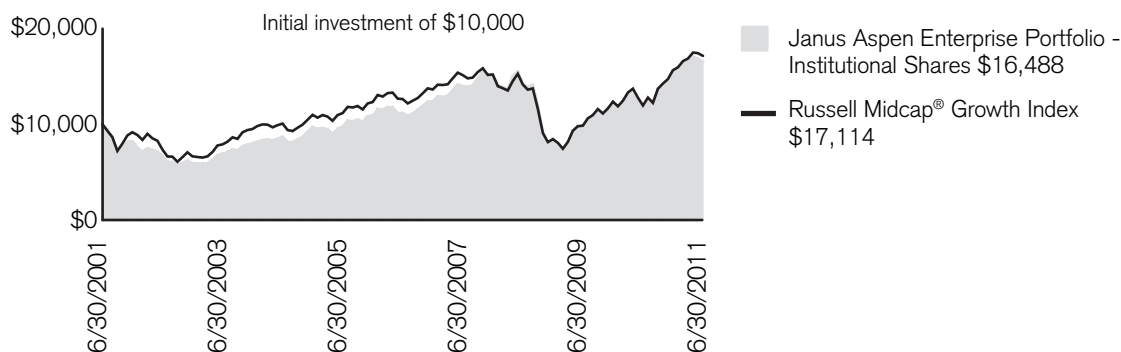


As of December 31, 2010



# Janus Aspen Enterprise Portfolio (unaudited)

## Performance



### Average Annual Total Return – for the periods ended June 30, 2011

### Expense Ratios – per the May 1, 2011 prospectuses

	Fiscal Year-to-date	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses
Janus Aspen Enterprise Portfolio – Institutional Shares	6.59%	39.61%	8.12%	5.13%	9.85%	0.68%
Janus Aspen Enterprise Portfolio – Service Shares	6.47%	39.23%	7.86%	4.87%	9.57%	0.93%
Russell Midcap® Growth Index	9.59%	43.25%	6.28%	5.52%	8.98%	
Lipper Quartile – Institutional Shares	–	2nd	2nd	2nd	2nd	
Lipper Ranking – Institutional Shares based on total returns for Variable Annuity Multi-Cap Growth Funds	–	39/108	21/79	13/45	3/7	

Visit [janus.com/variable-insurance](http://janus.com/variable-insurance) to view current performance and characteristic information

Data presented represents past performance, which is no guarantee of future results. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Due to market volatility, current performance may be higher or lower than the performance shown. Call 877.33JANUS(52687) or visit [janus.com/variable-insurance](http://janus.com/variable-insurance) for performance current to the most recent month-end.

The Portfolio's expense ratios shown were determined based on average net assets as of the fiscal year ended December 31, 2010. The expense information shown may include "acquired fund" fees and expenses. ("Acquired Fund" refers to any underlying fund (including, but not limited to, exchange-traded funds) in which the Portfolio invests or has invested during the period.) Further information is available in the prospectus. All expenses are shown without the effect of expense offset arrangements. Pursuant to such arrangements, credits realized as a result of uninvested cash balances are used to reduce custodian and transfer agent expenses.

The Portfolio's performance may be affected by risks that include those associated with investments in specific industries or countries. Additional risks to the Portfolio may include those associated with investing in foreign securities, emerging markets, initial public offerings ("IPOs"), and derivatives. Please see a Janus prospectus or [janus.com/variable-insurance](http://janus.com/variable-insurance) for more information about risks, portfolio holdings and other details.

See important disclosures on the next page.

## (unaudited)

The Portfolio may invest in derivatives which can be highly volatile and involve additional risks than if the underlying securities were held directly by the Portfolio. Such risks include gains or losses which, as a result of leverage, can be substantially greater than the derivatives' original cost. There is also a possibility that derivatives may not perform as intended which can reduce opportunity for gains or result in losses by offsetting positive returns in other securities the Portfolio owns.

These returns do not reflect the charges and expenses of any particular insurance product or qualified plan. Returns shown would have been lower had they included insurance charges.

Returns include reinvestment of dividends from net investment income and distributions from capital gains. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or the redemption of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Returns shown for Service Shares for periods prior to December 31, 1999 are derived from the historical performance of Institutional Shares, adjusted to reflect the higher operating expenses of Service Shares.

Lipper, a wholly-owned subsidiary of Thomson Reuters, provides independent insight on global collective investments including mutual funds, retirement funds, hedge funds, fund fees and expenses to the asset management and media communities. Lipper ranks the performance of mutual funds within a classification of funds that have similar investment objectives. Rankings are historical with capital gains and dividends reinvested.

Ranking is for the Institutional Share class only; other classes may have different performance characteristics.

September 30, 1993 is the date used to calculate the since-inception Lipper ranking, which is slightly different from when the Portfolio began operations since Lipper provides fund rankings as of the last day of the month.

There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments for index definitions.

The Portfolio's holdings may differ significantly from the securities held in the index. The index is unmanaged and is not available for direct investment; therefore, its performance does not reflect the expenses associated with the active management of an actual portfolio.

See "Explanations of Charts, Tables and Financial Statements."

\* The Portfolio's inception date – September 13, 1993

## Portfolio Expenses

The examples below show you the ongoing costs (in dollars) of investing in your Portfolio and allow you to compare these costs with those of other mutual funds. Please refer to the section Useful Information About Your Portfolio Report for a detailed explanation of the information presented in these charts.

<b>Expense Example – Institutional Shares</b>	<b>Beginning Account Value (1/1/11)</b>	<b>Ending Account Value (6/30/11)</b>	<b>Expenses Paid During Period (1/1/11 - 6/30/11)†</b>
Actual	\$1,000.00	\$1,065.90	\$3.38
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.52	\$3.31

<b>Expense Example – Service Shares</b>	<b>Beginning Account Value (1/1/11)</b>	<b>Ending Account Value (6/30/11)</b>	<b>Expenses Paid During Period (1/1/11 - 6/30/11)†</b>
Actual	\$1,000.00	\$1,064.70	\$4.66
Hypothetical (5% return before expenses)	\$1,000.00	\$1,020.28	\$4.56

† Expenses are equal to the annualized expense ratio of 0.66% for Institutional Shares and 0.91% for Service Shares multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

# Janus Aspen Enterprise Portfolio

## Schedule of Investments (unaudited)

As of June 30, 2011

Shares	Value	Shares	Value
Common Stock – 97.0%		Electronic Forms – 1.0%	
Advertising Sales – 0.7%		195,930 Adobe Systems, Inc.*	\$ 6,161,999
160,201 Lamar Advertising Co. – Class A*	\$ 4,384,701	Entertainment Software – 0.5%	
Aerospace and Defense – 1.0%		144,545 Electronic Arts, Inc.*	3,411,262
71,625 TransDigm Group, Inc.*	6,531,484	Finance – Investment Bankers/Brokers – 0.8%	
Agricultural Chemicals – 2.3%		150,038 LPL Investment Holdings, Inc.*	5,132,800
249,420 Potash Corporation of Saskatchewan, Inc. (U.S. Shares)	14,214,446	Instruments – Controls – 2.3%	
Airlines – 1.2%		28,010 Mettler-Toledo International, Inc.*	4,724,447
260,428 Ryanair Holdings PLC (ADR)**	7,640,958	255,802 Sensata Technologies Holding N.V.*	9,630,945
Apparel Manufacturers – 0.6%			14,355,392
29,529 Polo Ralph Lauren Corp.	3,915,841	Instruments – Scientific – 2.2%	
Auction House – Art Dealer – 2.4%		106,721 Thermo Fisher Scientific, Inc.*	6,871,765
556,800 Ritchie Bros. Auctioneers, Inc. (U.S. Shares)	15,306,432	74,680 Waters Corp.*	7,149,863
Commercial Services – 0.7%			14,021,628
76,045 CoStar Group, Inc.*	4,507,948	Insurance Brokers – 0.9%	
Commercial Services – Finance – 4.6%		111,680 AON Corp.	5,729,184
196,760 Global Payments, Inc.	10,034,760	Investment Management and Advisory Services – 1.9%	
545,600 Verisk Analytics, Inc.*	18,888,672	150,559 Eaton Vance Corp.	4,551,399
	28,923,432	116,556 T. Rowe Price Group, Inc.	7,032,989
Computer Aided Design – 0.4%			11,584,388
48,765 ANSYS, Inc.*	2,665,983	Machinery – General Industrial – 1.2%	
Computer Services – 2.9%		91,115 Roper Industries, Inc.	7,589,879
221,205 IHS, Inc. – Class A*	18,452,921	Medical – Biomedical and Genetic – 4.8%	
Computers – 0.5%		231,480 Celgene Corp.**	13,962,874
9,203 Apple, Inc.*	3,089,171	132,762 Gilead Sciences, Inc.*	5,497,675
Consulting Services – 1.4%		268,110 Incyte Corp., Ltd.*	5,078,003
220,039 Gartner, Inc.*	8,865,371	104,975 Vertex Pharmaceuticals, Inc.*	5,457,650
Containers – Metal and Glass – 0.7%			29,996,202
120,582 Ball Corp.	4,637,584	Medical – Drugs – 1.4%	
Decision Support Software – 2.5%		165,847 Valeant Pharmaceuticals International, Inc.	8,617,410
419,100 MSCI, Inc.*	15,791,688	Medical Information Systems – 1.0%	
Diagnostic Equipment – 1.4%		146,990 athenahealth, Inc.*	6,041,289
129,582 Gen-Probe, Inc.*	8,960,595	Medical Instruments – 3.4%	
Diagnostic Kits – 0.6%		318,780 St. Jude Medical, Inc.	15,199,430
46,925 Idexx Laboratories, Inc.*	3,639,503	72,250 Techne Corp.	6,023,483
Distribution/Wholesale – 4.7%			21,222,913
255,000 Fastenal Co.	9,177,450	Medical Products – 4.4%	
7,049,720 Li & Fung, Ltd.	14,178,941	154,890 Henry Schein, Inc.*	11,088,575
39,305 W.W. Grainger, Inc.	6,039,213	238,970 Varian Medical Systems, Inc.*	16,732,679
	29,395,604		27,821,254
Educational Software – 0.7%		Metal Processors and Fabricators – 1.4%	
103,085 Blackboard, Inc.*	4,472,858	52,170 Precision Castparts Corp.	8,589,790
Electric Products – Miscellaneous – 1.0%		Networking Products – 0.5%	
135,592 AMETEK, Inc.	6,088,081	98,390 Juniper Networks, Inc.*	3,099,285
Electronic Components – Miscellaneous – 2.7%		Oil Companies – Exploration and Production – 1.3%	
638,200 Flextronics International, Ltd.*	4,097,244	173,600 Ultra Petroleum Corp. (U.S. Shares)*	7,950,880
351,875 TE Connectivity, Ltd. (U.S. Shares)	12,934,925	Oil Field Machinery and Equipment – 2.8%	
	17,032,169	321,355 Dresser-Rand Group, Inc.*	17,272,831
Electronic Components – Semiconductors – 2.2%		Patient Monitoring Equipment – 1.1%	
1,316,106 ON Semiconductor Corp.*	13,779,630	234,991 Masimo Corp.	6,974,533
Electronic Connectors – 2.2%		Pharmacy Services – 0.2%	
260,670 Amphenol Corp. – Class A	14,073,573	39,901 Omnicare, Inc.	1,272,443
		Pipelines – 1.6%	
		148,115 Kinder Morgan Management LLC*	9,714,863

See Notes to Schedule of Investments and Financial Statements.

## Schedule of Investments (unaudited)

As of June 30, 2011

Shares	Value
Printing – Commercial – 2.3%	
294,956 VistaPrint N.V. (U.S. Shares)*	\$ 14,113,645
Retail – Automobile – 2.0%	
264,110 Copart, Inc.*	12,307,526
Retail – Bedding – 0.8%	
81,416 Bed Bath & Beyond, Inc.*	4,752,252
Retail – Petroleum Products – 1.0%	
172,900 World Fuel Services Corp.	6,212,297
Retail – Regional Department Stores – 0.6%	
81,070 Kohl's Corp.	4,054,311
Retail – Restaurants – 0.4%	
129,165 Arcos Dorados Holdings, Inc.	2,724,090
Semiconductor Components/Integrated Circuits – 2.5%	
1,103,750 Atmel Corp.*	15,529,762
Semiconductor Equipment – 2.6%	
151,810 ASML Holdings N.V. (U.S. Shares)	5,610,898
260,007 KLA-Tencor Corp.	10,525,083
	16,135,981
Telecommunication Equipment – Fiber Optics – 0.6%	
222,315 Corning, Inc.	4,035,017
Telecommunication Services – 1.9%	
392,514 Amdocs, Ltd. (U.S. Shares)*	11,928,500
Transactional Software – 1.4%	
144,600 Solera Holdings, Inc.	8,554,536
Transportation – Services – 2.9%	
145,855 C.H. Robinson Worldwide, Inc.	11,499,208
133,432 Expeditors International of Washington, Inc.	6,830,384
	18,329,592
Transportation – Truck – 1.1%	
148,340 Landstar System, Inc.	6,894,843
Vitamins and Nutrition Products – 1.0%	
91,915 Mead Johnson Nutrition Co. – Class A	6,208,858
Wireless Equipment – 3.8%	
587,395 Crown Castle International Corp.*	23,959,842
<b>Total Common Stock (cost \$383,473,842)</b>	<b>608,671,250</b>
Money Market – 2.1%	
12,878,233 Janus Cash Liquidity Fund LLC, 0% (cost \$12,878,233)	12,878,233
<b>Total Investments (total cost \$396,352,075) – 99.1%</b>	<b>621,549,483</b>
Cash, Receivables and Other Assets, net of Liabilities – 0.9%	5,703,745
<b>Net Assets – 100%</b>	<b>\$627,253,228</b>

### Summary of Investments by Country – (Long Positions)

Country	Value	% of Investment Securities
Bermuda	\$ 14,178,941	2.3%
Canada	46,089,168	7.4%
Guernsey	11,928,500	1.9%
Ireland	7,640,958	1.2%
Netherlands	29,355,488	4.7%
Singapore	4,097,244	0.7%
Switzerland	12,934,925	2.1%
United States <sup>††</sup>	492,600,169	79.3%
Virgin Islands (British)	2,724,090	0.4%
<b>Total</b>	<b>\$621,549,483</b>	<b>100.0%</b>

†† Includes Cash Equivalents (77.2% excluding Cash Equivalents).

### Forward Currency Contracts, Open

Counterparty/Currency Sold and Settlement Date	Currency Units Sold	Currency Value U.S. \$	Unrealized U.S. \$ Depreciation
Credit Suisse Securities (USA) LLC:			
Euro 8/18/11	2,840,000	\$ 4,112,252	\$ (81,951)
HSBC Securities (USA), Inc.:			
Euro 8/25/11	2,276,387	3,295,428	(3,818)
JPMorgan Chase & Co.:			
Euro 8/4/11	2,530,000	3,664,993	(27,941)
<b>Total</b>		<b>\$11,072,673</b>	<b>\$(113,710)</b>

See Notes to Schedule of Investments and Financial Statements.

# Statement of Assets and Liabilities

As of June 30, 2011 (unaudited)  
(all numbers in thousands except net asset value per share)

Janus Aspen  
Enterprise  
Portfolio

Assets:	
Investments at cost	\$396,352
Unaffiliated investments at value	\$608,671
Affiliated investments at value	12,878
Cash	–
Receivables:	
Investments sold	3,273
Portfolio shares sold	5,258
Dividends	160
Non-interested Trustees' deferred compensation	16
Other assets	11
<b>Total Assets</b>	<b>630,267</b>
Liabilities:	
Payables:	
Investments purchased	1,984
Portfolio shares repurchased	454
Dividends	–
Advisory fees	322
Distribution fees and shareholder servicing fees	48
Non-interested Trustees' fees and expenses	3
Non-interested Trustees' deferred compensation fees	16
Accrued expenses and other payables	73
Forward currency contracts	114
<b>Total Liabilities</b>	<b>3,014</b>
<b>Net Assets</b>	<b>\$627,253</b>
Net Assets Consist of:	
Capital (par value and paid-in surplus)*	\$495,912
Undistributed net investment loss*	(885)
Undistributed net realized loss from investment and foreign currency transactions*	(92,858)
Unrealized net appreciation of investments, foreign currency translations and non-interested Trustees' deferred compensation	225,084
<b>Total Net Assets</b>	<b>\$627,253</b>
Net Assets - Institutional Shares	\$390,302
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)	9,457
<b>Net Asset Value Per Share</b>	<b>\$ 41.27</b>
Net Assets - Service Shares	\$236,951
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)	5,930
<b>Net Asset Value Per Share</b>	<b>\$ 39.96</b>

\* See Note 5 in Notes to Financial Statements.

See Notes to Financial Statements.

# Statement of Operations

For the six-month period ended June 30, 2011 (unaudited)  
(all numbers in thousands)

Janus Aspen  
Enterprise  
Portfolio

Investment Income:	
Interest	\$ -
Dividends	1,562
Dividends from affiliates	15
Foreign tax withheld	(34)
<b>Total Investment Income</b>	<b>1,543</b>
Expenses:	
Advisory fees	2,035
Shareholder reports expense	19
Transfer agent fees and expenses	1
Registration fees	8
Professional fees	15
Non-interested Trustees' fees and expenses	9
Custodian fees	11
Distribution fees and shareholder servicing fees - Service Shares	305
Other expenses	7
Non-recurring costs (Note 4)	-
Costs assumed by Janus Capital Management LLC (Note 4)	-
<b>Total Expenses</b>	<b>2,410</b>
Expense and Fee Offset	-
<b>Net Expenses</b>	<b>2,410</b>
<b>Net Investment Loss</b>	<b>(867)</b>
Net Realized and Unrealized Gain/(Loss) on Investments:	
Net realized gain from investment and foreign currency transactions	45,963
Change in unrealized net appreciation/(depreciation) of investments, foreign currency translations and non-interested Trustees' deferred compensation	(4,374)
<b>Net Gain on Investments</b>	<b>41,589</b>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$40,722</b>

See Notes to Financial Statements.

# Statements of Changes in Net Assets

	<i>Janus Aspen Enterprise Portfolio</i>	
<i>For the six-month period ended June 30, 2011 (unaudited) and the fiscal year ended December 31, 2010 (all numbers in thousands)</i>	2011	2010
Operations:		
Net investment loss	\$ (867)	\$ (603)
Net realized gain from investment and foreign currency transactions	45,963	35,307
Change in unrealized net appreciation/(depreciation) of investments, foreign currency translations and non-interested Trustees' deferred compensation	(4,374)	100,317
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>40,722</b>	<b>135,021</b>
Dividends and Distributions to Shareholders:		
Net Investment Income*		
Institutional Shares	-	(239)
Service Shares	-	-
Net Realized Gain/(Loss) from Investment Transactions*		
Institutional Shares	-	-
Service Shares	-	-
<b>Net Decrease from Dividends and Distributions</b>	<b>-</b>	<b>(239)</b>
Capital Share Transactions:		
Shares Sold		
Institutional Shares	17,493	21,102
Service Shares	19,530	35,862
Reinvested Dividends and Distributions		
Institutional Shares	-	239
Shares Repurchased		
Institutional Shares	(47,015)	(81,493)
Service Shares	(41,733)	(65,152)
<b>Net Decrease from Capital Share Transactions</b>	<b>(51,725)</b>	<b>(89,442)</b>
<b>Net Increase/(Decrease) in Net Assets</b>	<b>(11,003)</b>	<b>45,340</b>
Net Assets:		
Beginning of period	638,256	592,916
End of period	<b>\$627,253</b>	<b>\$638,256</b>
<b>Undistributed Net Investment Loss*</b>	<b>\$ (885)</b>	<b>\$ (18)</b>

\* See Note 5 in Notes to Financial Statements.

See Notes to Financial Statements.

# Financial Highlights

## Institutional Shares

For a share outstanding during the six-month period ended June 30, 2011 (unaudited) and each fiscal year ended December 31

Janus Aspen Enterprise Portfolio

	2011	2010	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$38.72	\$30.79	\$21.26	\$39.96	\$32.97	\$29.02
Income from Investment Operations:						
Net investment income/(loss)	(.01)	.09	.05	.13	.12	.03
Net gain/(loss) on investments (both realized and unrealized)	2.56	7.86	9.48	(16.82)	7.15	3.92
Total from Investment Operations	2.55	7.95	9.53	(16.69)	7.27	3.95
Less Distributions:						
Dividends (from net investment income)*	—	(.02)	—	(.08)	(.08)	—
Distributions (from capital gains)*	—	—	—	(1.93)	(.20)	—
Total Distributions	—	(.02)	—	(2.01)	(.28)	—
Net Asset Value, End of Period	\$41.27	\$38.72	\$30.79	\$21.26	\$39.96	\$32.97
Total Return**	6.59%	25.85%	44.83%	(43.75)%	22.10%	13.61%
Net Assets, End of Period (in thousands)	\$390,302	\$394,500	\$371,092	\$279,088	\$565,996	\$523,173
Average Net Assets for the Period (in thousands)	\$395,159	\$359,669	\$311,752	\$453,662	\$550,938	\$525,467
Ratio of Gross Expenses to Average Net Assets***	0.66%	0.68%	0.70%	0.67%	0.68%	0.69%
Ratio of Net Expenses to Average Net Assets***	0.66%	0.68%	0.70%	0.67%	0.68%	0.69%
Ratio of Net Investment Income/(Loss) to Average Net Assets***	(0.18)%	(0.01)%	0.02%	0.32%	0.27%	(0.03)%
Portfolio Turnover Rate***	17%	24%	36%	60%	45%	41%

## Service Shares

For a share outstanding during the six-month period ended June 30, 2011 (unaudited) and each fiscal year ended December 31

Janus Aspen Enterprise Portfolio

	2011	2010	2009	2008	2007	2006
Net Asset Value, Beginning of Period	\$37.53	\$29.90	\$20.70	\$38.97	\$32.19	\$28.41
Income from Investment Operations:						
Net investment income/(loss)	(.13)	(.10)	(.09)	.02	.04	(.09)
Net gain/(loss) on investments (both realized and unrealized)	2.56	7.73	9.29	(16.34)	6.96	3.87
Total from Investment Operations	2.43	7.63	9.20	(16.32)	7.00	3.78
Less Distributions:						
Dividends (from net investment income)*	—	—	—	(.02)	(.02)	—
Distributions (from capital gains)*	—	—	—	(1.93)	(.20)	—
Total Distributions	—	—	—	(1.95)	(.22)	—
Net Asset Value, End of Period	\$39.96	\$37.53	\$29.90	\$20.70	\$38.97	\$32.19
Total Return**	6.47%	25.52%	44.44%	(43.88)%	21.80%	13.31%
Net Assets, End of Period (in thousands)	\$236,951	\$243,756	\$221,824	\$186,105	\$368,990	\$254,484
Average Net Assets for the Period (in thousands)	\$246,179	\$220,145	\$196,683	\$300,898	\$300,362	\$253,611
Ratio of Gross Expenses to Average Net Assets***	0.91%	0.93%	0.95%	0.92%	0.93%	0.94%
Ratio of Net Expenses to Average Net Assets***	0.91%	0.93%	0.95%	0.92%	0.93%	0.94%
Ratio of Net Investment Income/(Loss) to Average Net Assets***	(0.42)%	(0.26)%	(0.25)%	0.07%	0.01%	(0.28)%
Portfolio Turnover Rate***	17%	24%	36%	60%	45%	41%

\* See Note 5 in Notes to Financial Statements.

\*\* Total return not annualized for periods of less than one full year.

\*\*\* Annualized for periods of less than one full year.

See Notes to Financial Statements.

# Notes to Schedule of Investments (unaudited)

Lipper Variable Annuity Multi-Cap Growth Funds	Funds that, by portfolio practice, invest in a variety of market capitalization ranges without concentrating more than 75% of their equity assets in any one market capitalization range over an extended period of time. Multi-cap funds typically have between 25% to 75% of their assets invested in companies with market capitalizations (on a three-year weighted basis) above 300% of the dollar-weighted median market capitalization of the middle 1,000 securities of the S&P SuperComposite 1500 Index. Multi-cap growth funds typically have an above-average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value, compared to the S&P SuperComposite 1500 Index.
Russell Midcap® Growth Index	Measures the performance of those Russell Midcap® Index companies with higher price-to-book ratios and higher forecasted growth values.
ADR	American Depositary Receipt
PLC	Public Limited Company
U.S. Shares	Securities of foreign companies trading on an American Stock Exchange.

\* Non-income producing security.

\*\* A portion of this security has been segregated by the custodian to cover margin or segregation requirements on open futures contracts, forward currency contracts, options contracts, short sales, swap agreements, and/or securities with extended settlement dates.

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of June 30, 2011. See Notes to Financial Statements for more information.

## Valuation Inputs Summary (as of June 30, 2011)

	Level 1 – Quoted Prices	Level 2 – Other Significant Observable Inputs <sup>(a)</sup>	Level 3 – Significant Unobservable Inputs
<b>Investments in Securities:</b>			
<i>Janus Aspen Enterprise Portfolio</i>			
<i>Common Stock</i>			
Airlines	\$ –	\$ 7,640,958	\$–
Distribution/Wholesale	15,216,663	14,178,941	–
All Other	571,634,688	–	–
<i>Money Market</i>			
	–	12,878,233	–
Total Investments in Securities	\$586,851,351	\$34,698,132	\$–
<b>Other Financial Instruments<sup>(b)</sup>:</b>	\$ –	\$ (113,710)	\$–

(a) Includes Fair Value Factors.

(b) Other financial instruments include futures, forward currency, written option, and swap contracts. Forward currency contracts and swap contracts are reported at their unrealized appreciation/(depreciation) at measurement date, which represents the change in the contract's value from trade date. Futures are reported at their variation margin at measurement date, which represents the amount due to/from the Portfolio at that date. Options are reported at their market value at measurement date.

Aggregate collateral segregated to cover margin or segregation requirements on open futures contracts, forward currency contracts, options contracts, short sales, swap agreements, and/or securities with extended settlement dates as of June 30, 2011 is noted below.

Portfolio	Aggregate Value
Janus Aspen Enterprise Portfolio	\$13,069,758

# Notes to Financial Statements (unaudited)

The following section describes the organization and significant accounting policies and provides more detailed information about the schedules and tables that appear throughout this report. In addition, the Notes to Financial Statements explain the methods used in preparing and presenting this report.

## 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Janus Aspen Enterprise Portfolio (the “Portfolio”) is a series fund. The Portfolio is part of Janus Aspen Series (the “Trust”), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Trust includes ten Portfolios which include multiple series of shares, with differing investment objectives and policies. The Portfolio invests primarily in common stocks. The Portfolio is classified as diversified, as defined in the 1940 Act. The Portfolio is a no-load investment.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts and to qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts and to qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

The following accounting policies have been followed by the Portfolio and are in conformity with accounting principles generally accepted in the United States of America within the investment management industry.

### Investment Valuation

Securities are valued at the last sales price or the official closing price for securities traded on a principal securities exchange (U.S. or foreign) and on the NASDAQ National Market. Securities traded on over-the-counter (“OTC”) markets and listed securities for which no sales are reported are valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio’s Trustees. Short-term securities with maturities of 60 days or less may be valued at amortized cost, which approximates market value. Debt securities with a remaining maturity of greater than 60 days are valued in accordance with the evaluated bid price supplied by the pricing service. The evaluated bid price supplied by the pricing service is an evaluation that reflects such factors as security prices, yields, maturities and ratings. Short positions shall be valued in accordance with the same methodologies, except that in the event

that a last sale price is not available, the latest ask price shall be used instead of a bid price. Foreign securities and currencies are converted to U.S. dollars using the applicable exchange rate in effect as of the daily close of the New York Stock Exchange (“NYSE”). When market quotations are not readily available or deemed unreliable, or events or circumstances that may affect the value of portfolio securities held by the Portfolio are identified between the closing of their principal markets and the time the net asset value (“NAV”) is determined, securities may be valued at fair value as determined in good faith under procedures established by and under the supervision of the Portfolio’s Trustees. Circumstances in which fair value pricing may be utilized include, but are not limited to: (i) a significant event that may affect the securities of a single issuer, such as a merger, bankruptcy, or significant issuer specific development; (ii) an event that may affect an entire market, such as a natural disaster or significant governmental action; (iii) a nonsignificant event such as a market closing early or not opening, or a security trading halt; and (iv) pricing of a non-valued security and a restricted or non-public security. The Portfolio may use systematic fair valuation models provided by independent third parties to value international equity securities in order to adjust for stale pricing, which may occur between the close of certain foreign exchanges and the close of the NYSE. Restricted and illiquid securities are valued in accordance with procedures established by the Portfolio’s Trustees.

### Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Trust is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Interest income is recorded on the accrual basis and includes amortization of premiums and accretion of discounts. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

### Expenses

The Portfolio bears expenses incurred specifically on its behalf, as well as a portion of general expenses, which may be allocated pro rata to the Portfolio. Each class of shares bears expenses incurred specifically on its behalf and, in addition, each class bears a portion of general

# Notes to Financial Statements (unaudited) (continued)

expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

## Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

## Foreign Currency Translations

The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, political and economic risk, regulatory risk and equity risk. Risks may arise from the potential inability of a counterparty to meet the terms of a contract and from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

## Dividend Distributions

The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any). Dividends and net realized capital gains distributions from the Portfolio may be automatically reinvested into additional shares of the Portfolio, based on the discretion of the shareholder.

## Federal Income Taxes

No provision for income taxes is included in the accompanying financial statements as the Portfolio intends to distribute to shareholders all taxable investment income and realized gains and otherwise comply with Subchapter M of the Internal Revenue Code applicable to regulated investment companies.

In accordance with the Financial Accounting Standards Board ("FASB") guidance, the Portfolio adopted the provisions of "Income Taxes." These provisions require an evaluation of tax positions taken (or expected to be taken) in the course of preparing the Portfolio's tax return to determine whether these positions meet a "more-likely-than-not" standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the "more-likely-than-not" recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The Portfolio recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense on the Statement of Operations.

These provisions require management of the Portfolio to analyze all open tax years, as defined by the Statute of Limitations, for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of and during the period ended June 30, 2011, the Portfolio did not have a liability for any unrecognized tax benefits. The Portfolio has no examinations in progress and is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

On December 22, 2010, The Regulated Investment Company Modernization Act of 2010 (the "Modernization Act") was signed by The President. The Modernization Act is the first major piece of legislation affecting Regulated Investment Companies ("RICs") since 1986 and it modernizes several of the federal income and excise tax provisions related to RICs. Some of the enacted provisions include:

New capital losses may now be carried forward indefinitely, and retain the character of the original loss. Under pre-enactment law, capital losses could be carried forward for eight years, and carried forward as short-term capital, irrespective of the character of the original loss.

The Modernization Act contains simplification provisions, which are aimed at preventing disqualification of a RIC for "inadvertent" failures of the asset diversification and/or qualifying income tests. Additionally, the Modernization Act exempts RICs from the preferential dividend rule, and

repealed the 60-day designation requirement for certain types of pay-through income and gains.

Finally, the Modernization Act contains several provisions aimed at preserving the character of distributions made by a fiscal year RIC during the portion of its taxable year ending after October 31 or December 31, reducing the circumstances under which a RIC might be required to file amended Forms 1099 to restate previously reported distributions.

Except for the simplification provisions related to RIC qualification, the Modernization Act is effective for taxable years beginning after December 22, 2010. The provisions related to RIC qualification are effective for taxable years for which the extended due date of the tax return is after December 22, 2010.

### Valuation Inputs Summary

In accordance with FASB guidance, the Portfolio utilizes the "Fair Value Measurements" to define fair value, establish a framework for measuring fair value, and expand disclosure requirements regarding fair value measurements. The Fair Value Measurement Standard does not require new fair value measurements, but is applied to the extent that other accounting pronouncements require or permit fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability. Various inputs are used in determining the value of the Portfolio's investments defined pursuant to this standard. These inputs are summarized into three broad levels:

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and others.

Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and generally categorized as Level 2 in the hierarchy. Securities traded on OTC markets and listed securities for which no sales are reported are valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees and are categorized as Level 2 in the hierarchy. Short-term

securities with maturities of 60 days or less are valued at amortized cost, which approximates market value and are categorized as Level 2 in the hierarchy. Other securities that are categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs), warrants, swaps, investments in mutual funds, OTC options, and forward contracts. The Portfolio may use systematic fair valuation models provided by independent third parties to value international equity securities in order to adjust for stale pricing, which may occur between the close of certain foreign exchanges and the close of the NYSE. These are generally categorized as Level 2 in the hierarchy.

Level 3 – Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

For restricted equity securities and private placements where observable inputs are limited, assumptions about market activity and risk are used in employing valuation techniques such as the market approach, the income approach, or the cost approach, as defined under the FASB Guidance. These are categorized as Level 3 in the hierarchy.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of June 30, 2011 to value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" and "Level 3 Valuation Reconciliation of Assets" (if applicable) in the Notes to Schedule of Investments.

In April 2009, FASB issued "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly," which provides additional guidance for estimating fair value in accordance with Fair Value Measurements when the volume and level of activity for the asset or liability have significantly decreased as well as guidance on identifying circumstances that indicate a

# Notes to Financial Statements (unaudited) (continued)

transaction is not orderly. Additionally, it amends the Fair Value Measurement Standard by expanding disclosure requirements for reporting entities surrounding the major categories of assets and liabilities carried at fair value. The required disclosures have been incorporated into the "Valuation Inputs Summary" in the Notes to Schedule of Investments. Management believes applying this guidance does not have a material impact on the financial statements.

The Portfolio adopted FASB Accounting Standards Update "Fair Value Measurements and Disclosures" (the "Update"). This Update applies to the Portfolio's disclosures about transfers in and out of Level 1 and Level 2 of the fair value hierarchy and the reasons for the transfers. Disclosures about the valuation techniques and inputs used to measure fair value for investments that fall in either Level 2 or Level 3 fair value hierarchy are summarized under the Level 2 and Level 3 categories listed above.

The following table shows transfers between Level 1 and Level 2 of the fair value hierarchy during the period.

<i>Portfolio</i>	<i>Transfers In Level 1 to Level 2</i>	<i>Transfers Out Level 2 to Level 1</i>
Janus Aspen Enterprise Portfolio	\$17,476,119	\$-

Financial assets were transferred from Level 1 to Level 2 since certain foreign equity prices were applied a fair valuation adjustment factor at the end of the period and no factor was applied at the beginning of the period.

There were no Level 3 securities during the period.

The Portfolio recognizes transfers between the levels as of the beginning of the fiscal year.

## 2. DERIVATIVE INSTRUMENTS

The Portfolio may invest in various types of derivatives, which may at times result in significant derivative exposure. A derivative is a financial instrument whose performance is derived from the performance of another asset. The Portfolio may invest in derivative instruments including, but not limited to: futures contracts, put options, call options, options on swap contracts, options on future contracts, options on foreign currencies, swaps, forward contracts, structured investments, and other equity-linked derivatives. Each derivative instrument that was held by the Portfolio during the period ended June 30, 2011 is discussed in further detail below. A summary of derivative activity is reflected in the tables at the end of this section.

The Portfolio may use derivative instruments for hedging (to offset risks associated with an investment, currency exposure, or market conditions) or for speculative (to seek

to enhance returns) purposes. When the Portfolio invests in a derivative for speculative purposes, the Portfolio will be fully exposed to the risks of loss of that derivative, which may sometimes be greater than the cost of the derivative. The Portfolio may not use any derivative to gain exposure to an asset or class of assets prohibited by its investment restrictions from purchasing directly. The Portfolio's ability to use derivative instruments may also be limited by tax considerations.

Investments in derivatives are generally subject to equity risks that may cause their prices to fluctuate over time. Investments in derivatives may not directly correlate with the price movements of the underlying instrument. As a result, the use of derivatives may expose the Portfolio to additional risks that it would not be subject to if it invested directly in the securities underlying those derivatives. The use of derivatives may result in larger losses or smaller gains than otherwise would be the case. Derivatives can be volatile and may involve significant risks, including, but not limited to, counterparty risk, credit risk, currency risk, equity risk, index risk, interest rate risk, leverage risk, and liquidity risk.

Derivatives may generally be traded OTC or on an exchange. Derivatives traded OTC, such as structured notes, are agreements that are individually negotiated between parties and can be tailored to meet a purchaser's needs.

OTC derivatives are not guaranteed by a clearing agency and may be subject to increased credit risk. In an effort to mitigate credit risk associated with derivatives traded OTC, the Portfolio may enter into collateral agreements with certain counterparties whereby, subject to certain minimum exposure requirements, the Portfolio may require the counterparty to post collateral if the Portfolio has a net aggregate unrealized gain on all OTC derivative contracts with a particular counterparty. There is no guarantee that counterparty exposure is reduced and these arrangements are dependent on Janus Capital Management LLC's ("Janus Capital") ability to establish and maintain appropriate systems and trading.

In pursuit of their investment objectives, the Portfolio may seek to use derivatives to increase or decrease exposure to the following market risk factors:

- **Counterparty Risk** – Counterparty risk is the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio.
- **Credit Risk** – Credit risk is the risk an issuer will be unable to make principal and interest payments when due, or will default on its obligations.

- **Currency Risk** – Currency risk is the risk that changes in the exchange rate between currencies will adversely affect the value (in U.S. dollar terms) of an investment.
- **Equity Risk** – Equity risk relates to the change in value of equity securities as they relate to increases or decreases in the general market.
- **Index Risk** – If the derivative is linked to the performance of an index, it will be subject to the risks associated with changes in that index. If the index changes, the Portfolio could receive lower interest payments or experience a reduction in the value of the derivative to below what the Portfolio paid. Certain indexed securities, including inverse securities (which move in an opposite direction to the index), may create leverage, to the extent that they increase or decrease in value at a rate that is a multiple of the changes in the applicable index.
- **Interest Rate Risk** – Interest rate risk is the risk that the value of fixed-income securities will generally decline as prevailing interest rates rise, which may cause the Portfolio's NAV to likewise decrease, and vice versa.
- **Leverage Risk** – Leverage risk is the risk associated with certain types of leveraged investments or trading strategies pursuant to which relatively small market movements may result in large changes in the value of an investment. The Portfolio creates leverage by using borrowed capital to increase the amount invested, or investing in instruments, including derivatives, where the investment loss can exceed the original amount invested. Certain investments or trading strategies that involve leverage can result in losses that greatly exceed the amount originally invested.
- **Liquidity Risk** – Liquidity risk is the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

### Forward Foreign Currency Exchange Contracts

A forward foreign currency exchange contract ("forward currency contract") is a commitment to purchase or sell a foreign currency at a future date at a negotiated rate. The Portfolio may enter into forward currency contracts for hedging purposes, including, but not limited to, reducing exposure to changes in foreign currency exchange rates on foreign portfolio holdings and locking in the U.S. dollar cost of firm purchase and sale commitments for securities denominated in or exposed to foreign currencies. The Portfolio may also invest in forward currency contracts for nonhedging purposes such as seeking to enhance returns. The Portfolio is subject to currency risk in the normal course of pursuing its investment objective through its investments in forward currency contracts.

The gain or loss arising from the difference between the U.S. dollar cost of the original contract and the value of the foreign currency in U.S. dollars upon closing a contract is included in "Net realized gain/(loss) from investment and foreign currency transactions" on the Statement of Operations (if applicable).

Forward currency contracts held by the Portfolio are fully collateralized by other securities, which are denoted on the accompanying Schedule of Investments (if applicable). The collateral is evaluated daily to ensure its market value equals or exceeds the current market value of the corresponding forward currency contracts. Such collateral is in the possession of the Portfolio's custodian.

In accordance with FASB guidance, the Portfolio adopted the provisions for "Derivatives and Hedging," which require qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements.

The following table, grouped by derivative type, provides information about the fair value and location of derivatives within the Statement of Assets and Liabilities as of June 30, 2011.

### Fair Value of Derivative Instruments as of June 30, 2011

<i>Derivatives not accounted for as hedging instruments</i>	<i>Asset Derivatives</i>		<i>Liability Derivatives</i>	
	<i>Statement of Assets and Liabilities</i>	<i>Location</i>	<i>Statement of Assets and Liabilities</i>	<i>Location</i>
Foreign Exchange Contracts			Forward currency contracts	\$113,710
Total				\$113,710

# Notes to Financial Statements (unaudited) (continued)

The following tables provide information about the effect of derivatives and hedging activities on the Portfolio's

Statement of Operations for the period ended June 30, 2011.

## The effect of Derivative Instruments on the Statement of Operations for the six-month period ended June 30, 2011

Amount of Realized Gain/(Loss) on Derivatives Recognized in Income					
<i>Derivatives not accounted for as hedging instruments</i>	<i>Futures</i>	<i>Swaps</i>	<i>Options</i>	<i>Forward Currency Contracts</i>	<i>Total</i>
Foreign Exchange Contracts	\$-	\$-	\$-	\$(648,092)	\$(648,092)
Total	\$-	\$-	\$-	\$(648,092)	\$(648,092)

Change in Unrealized Appreciation/(Depreciation) on Derivatives Recognized in Income					
<i>Derivatives not accounted for as hedging instruments</i>	<i>Futures</i>	<i>Swaps</i>	<i>Options</i>	<i>Forward Currency Contracts</i>	<i>Total</i>
Foreign Exchange Contracts	\$-	\$-	\$-	\$(315,339)	\$(315,339)
Total	\$-	\$-	\$-	\$(315,339)	\$(315,339)

Please see the Portfolio's Statement of Operations for the Portfolio's "Net Realized and Unrealized Gain/(Loss) on Investments."

The value of derivative instruments at period end and the effect of derivatives on the Statement of Operations are indicative of the Portfolio's volume throughout the period.

### 3. OTHER INVESTMENTS AND STRATEGIES

#### Additional Investment Risk

It is important to note that events in both domestic and international equity and fixed-income markets have resulted, and may continue to result, in an unusually high degree of volatility in the markets, with issuers that have exposure to the real estate, mortgage, and credit markets particularly affected. These events and the resulting market upheavals may have an adverse effect on the Portfolio, such as a decline in the value and liquidity of many securities held by the Portfolio, unusually high and unanticipated levels of redemptions, an increase in portfolio turnover, a decrease in NAV, and an increase in Portfolio expenses. Because the situation is unprecedented and widespread, it may also be unusually difficult to identify both investment risks and opportunities, which could limit or preclude the Portfolio's ability to achieve its investment objective. It is impossible to predict whether or for how long these conditions will continue. Therefore, it is important to understand that the value of your investment may fall, sometimes sharply, and you could lose money.

Further, the instability experienced in the financial markets has resulted in the U.S. Government and various other governmental and regulatory entities taking actions to address the financial crisis. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") in July 2010 which is expected to dramatically change the way in which the U.S. financial system is supervised and regulated. More specifically, the Dodd-Frank Act provides for widespread regulation of financial institutions, consumer financial products and services,

broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expands federal oversight in the financial sector and may affect the investment management industry as a whole. Given the broad scope, sweeping nature, and the fact that many provisions of the Dodd-Frank Act must be implemented through future rulemaking, the ultimate impact of the Dodd-Frank Act, and any resulting regulation, is not yet certain. As a result, there can be no assurance that these measures will not have an adverse effect on the value or marketability of securities held by the Portfolio, including potentially limiting or completely restricting the ability of the Portfolio to use a particular investment instrument as part of its investment strategy, increasing the costs of using these instruments, or possibly making them less effective in general. Furthermore, no assurance can be made that the U.S. Government or any U.S. regulatory entity (or other authority or regulatory entity) will not continue to take further legislative or regulatory action in response to the economic crisis or otherwise, and the effect of such actions, if taken, cannot be known.

Certain areas of the world have historically been prone to and economically sensitive to environmental events such as, but not limited to, hurricanes, earthquakes, typhoons, flooding, tidal waves, tsunamis, erupting volcanoes, wildfires or droughts, tornadoes, mudslides, or other weather-related phenomena. Such disasters, and the resulting physical or economic damage, could have a severe and negative impact on the Portfolio's investment portfolio and, in the longer term, could impair the ability of issuers in which the Portfolio invests to conduct their businesses as they would under normal conditions.

Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance companies that insure against the impact of natural disasters.

### **Counterparties**

Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio (“counterparty risk”). Counterparty risk may arise because of the counterparty’s financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty’s inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio’s exposure to counterparty risk in respect to financial assets approximates their carrying value as recorded on the Portfolio’s Statement of Assets and Liabilities.

The Portfolio may be exposed to counterparty risk through participation in various programs including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio’s cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that Janus Capital believes to be creditworthy at the time of the transaction. There is always the risk that Janus Capital’s analysis of a counterparty’s creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

### **Emerging Market Investing**

Investing in emerging markets may involve certain risks and considerations not typically associated with investing in the United States and imposes risks greater than, or in addition to, the risks associated with investing in securities of more developed foreign countries. Emerging markets securities are exposed to a number of additional risks, which may result from less government supervision and regulation of business and industry practices (including the potential lack of strict finance and accounting controls and standards), stock exchanges, brokers, and listed companies, making these investments potentially more volatile in price and less liquid than investments in developed securities markets, resulting in greater risk to investors. In addition, the Portfolio’s investments may be

denominated in foreign currencies and therefore, changes in the value of a country’s currency compared to the U.S. dollar may affect the value of the Portfolio’s investments. To the extent that the Portfolio invests a significant portion of its assets in the securities of issuers in or companies of a single country or region, it is more likely to be impacted by events or conditions affecting that country or region, which could have a negative impact on the Portfolio’s performance.

### **Exchange-Traded Funds**

The Portfolio may invest in exchange-traded funds, which generally are index-based investment companies that hold substantially all of their assets in securities representing their specific index. As a shareholder of another investment company, the Portfolio would bear its pro rata portion of the other investment company’s expenses, including advisory fees, in addition to the expenses the Portfolio bears directly in connection with its own operations.

### **Exchange-Traded Notes**

The Portfolio may invest directly in exchange-traded notes (“ETNs”), which are senior, unsecured, unsubordinated debt securities whose returns are linked to a particular index and provide exposure to the total returns of various market indices, including indices linked to stocks, bonds, commodities and currencies. This type of debt security differs from other types of bonds and notes. ETN returns are based upon the performance of a market index minus applicable fees; no periodic coupon payments are distributed and no principal protections exist. ETNs do not pay cash distributions. Instead, the value of dividends, interest, and investment gains are captured in the Portfolio’s total return. The Portfolio will invest in these securities when desiring exposure to debt securities or commodities. When evaluating ETNs for investment, Janus Capital will consider the potential risks involved, expected tax efficiency, rate of return, and credit risk. When the Portfolio invests in ETNs, it will bear its proportionate share of any fees and expenses borne by the ETN. There may be restrictions on the Portfolio’s right to redeem its investment in an ETN, which is meant to be held until maturity. The Portfolio’s decision to sell its ETN holdings may be limited by the availability of a secondary market.

### **Initial Public Offerings**

The Portfolio may invest in initial public offerings (“IPOs”). IPOs and other investment techniques may have a magnified performance impact on a Portfolio with a small asset base. The Portfolio may not experience similar performance as its assets grow.

# Notes to Financial Statements (unaudited) (continued)

## Interfund Lending

As permitted by the Securities and Exchange Commission ("SEC"), or the 1940 Act and rules promulgated thereunder, the Portfolio may be party to interfund lending agreements between the Portfolio and other Janus Capital sponsored mutual funds and certain pooled investment vehicles, which permit them to borrow or lend cash at a rate beneficial to both the borrowing and lending funds. Outstanding borrowings from all sources totaling 10% or more of the borrowing Portfolio's total assets must be collateralized at 102% of the outstanding principal value of the loan; loans of less than 10% may be unsecured.

## Restricted Security Transactions

Restricted securities held by the Portfolio may not be sold except in exempt transactions or in a public offering registered under the Securities Act of 1933, as amended. The risk of investing in such securities is generally greater than the risk of investing in the securities of widely held, publicly traded companies. Lack of a secondary market and resale restrictions may result in the inability of the Portfolio to sell a security at a fair price and may substantially delay the sale of the security. In addition, these securities may exhibit greater price volatility than securities for which secondary markets exist.

## Securities Lending

Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income through lending its securities to certain qualified broker-dealers and institutions on a short-term or long-term basis. The Portfolio may lend portfolio securities on a short-term or long-term basis, in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. When the Portfolio lends its securities, it receives collateral (including cash collateral), at least equal to the value of securities loaned. The Portfolio may earn income by investing this collateral in one or more affiliated or nonaffiliated cash management vehicles. It is also possible that, due to a decline in the value of a cash management vehicle, the Portfolio may lose money. There is also the risk that when portfolio securities are lent, the securities may not be returned on a timely basis, and the Portfolio may experience delays and costs in recovering the security or gaining access to the collateral provided to the Portfolio to collateralize the loan. If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. Janus Capital intends to manage the cash collateral in an affiliated cash management

vehicle and will receive an investment advisory fee for managing such assets.

The borrower pays fees at the Portfolio's direction to Deutsche Bank AG (the "Lending Agent"). The Lending Agent may retain a portion of the interest earned on the cash collateral invested. The cash collateral invested by the Lending Agent is disclosed on the Schedule of Investments (if applicable). The lending fees and the Portfolio's portion of the interest income earned on cash collateral are included on the Statement of Operations (if applicable).

The Portfolio did not have any securities on loan during the period.

## Short Sales

The Portfolio may engage in "short sales against the box." Short sales against the box involve either selling short a security that the Portfolio owns or selling short a security that the Portfolio has the right to obtain, for delivery at a specified date in the future. The Portfolio may enter into short sales against the box to hedge against anticipated declines in the market price of portfolio securities. The Portfolio does not deliver from its portfolio the securities sold short and does not immediately receive the proceeds of the short sale. The Portfolio borrows the securities sold short and receives proceeds from the short sale only when it delivers the securities to the lender. If the value of the securities sold short increases prior to the scheduled delivery date, the Portfolio loses the opportunity to participate in the gain.

The Portfolio may also engage in other short sales. The Portfolio may engage in short sales when the portfolio manager anticipates that a security's market purchase price will be less than its borrowing price. To complete the transaction, the Portfolio must borrow the security to deliver it to the purchaser and buy that same security in the market to return it to the lender. No more than 10% of the Portfolio's net assets may be invested in short positions (through short sales of stocks, structured products, futures, swaps, and uncovered written calls). The Portfolio may engage in short sales "against the box" and options for hedging purposes that are not subject to this 10% limit. Although the potential for gain as a result of a short sale is limited to the price at which the Portfolio sold the security short less the cost of borrowing the security, the potential for loss is theoretically unlimited because there is no limit to the cost of replacing the borrowed security. There is no assurance the Portfolio will be able to close out a short position at a particular time or at an acceptable price. A gain or a loss will be recognized upon termination of a short sale. Short sales held by the Portfolio are fully collateralized by restricted cash or other securities, which are denoted on the accompanying

Schedule of Investments (if applicable). The Portfolio is also required to pay the lender of the security any dividends or interest that accrues on a borrowed security during the period of the loan. Depending on the arrangements made with the broker or custodian, the Portfolio may or may not receive any payments (including interest) on collateral it has deposited with the broker. The Portfolio pays stock loan fees on assets borrowed from the security broker.

The Portfolio may also enter into short positions through derivative instruments, such as options contracts, futures contracts, and swap agreements, which may expose the Portfolio to similar risks. To the extent that the Portfolio enters into short derivative positions, the Portfolio may be exposed to risks similar to those associated with short sales, including the risk that the Portfolio's losses are theoretically unlimited.

#### 4. INVESTMENT ADVISORY AGREEMENTS AND OTHER TRANSACTIONS WITH AFFILIATES

The Portfolio pays Janus Capital an investment advisory fee which is calculated daily and paid monthly. The following table reflects the Portfolio's contractual investment advisory fee rate (expressed as an annual rate).

<i>Portfolio</i>	<i>Average Daily Net Assets of the Portfolio</i>	<i>Contractual Investment Advisory Fee (%) (annual rate)</i>
Janus Aspen Enterprise Portfolio	All Asset Levels	0.64

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent and receives certain out-of-pocket expenses for transfer agent services.

Janus Distributors LLC, a wholly-owned subsidiary of Janus Capital, is a distributor of the Portfolio. Service Shares have adopted a Distribution and Shareholder Servicing Plan (the "Plan") pursuant to Rule 12b-1 under the 1940 Act. The Plan authorizes payments by the Portfolio in connection with the distribution of Service Shares at an annual rate of up to 0.25% of Service Shares average daily net assets. Payments under the Plan are not tied exclusively to actual distribution and shareholder service expenses, and the payments may exceed distribution and shareholder service expenses actually incurred by the Portfolio. If any of a Portfolio's actual distribution and shareholder service expenses incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in

"Distribution fees and shareholder servicing fees" in the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/ (depreciation) and is shown as of June 30, 2011 on the Statement of Assets and Liabilities as an asset, "Non-interested Trustees' deferred compensation," and a liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/ (depreciation) is included in "Unrealized net appreciation/ (depreciation) of investments, foreign currency translations and non-interested Trustees' deferred compensation" on the Statement of Assets and Liabilities. Deferred compensation expenses for the period ended June 30, 2011 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of \$407,122 were paid to a Trustee under the Deferred Plan during the period ended June 30, 2011.

For the period ended June 30, 2011, Janus Capital assumed \$13,425 of legal, consulting and Trustee costs and fees incurred by the portfolios in the Trust and Janus Investment Fund together with the Trust (the "Funds"), in connection with the regulatory and civil litigation matters discussed in Note 8. These non-recurring costs were allocated to all Funds based on the Funds' respective net assets as of July 31, 2004. Unless noted otherwise in the financial highlights, the effect of these non-recurring costs assumed by Janus Capital are included in the ratio of gross expenses to average net assets and were less than 0.01%. No fees were allocated to the Funds that commenced operations after July 31, 2004. Additionally, all future non-recurring costs will be allocated to the Funds based on the Funds' respective net assets on July 31, 2004. These "Non-recurring costs" and "Costs assumed by Janus Capital" are shown on the Statement of Operations.

Certain officers of the Portfolio may also be officers and/or directors of Janus Capital. Such officers receive no

# Notes to Financial Statements (unaudited) (continued)

compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer. The Portfolio reimburses Janus Capital for a portion of the compensation paid to the Chief Compliance Officer and certain compliance staff of the Trust. Total compensation of \$28,531 was paid by the Trust during the period ended June 30, 2011. The Portfolio's portion is reported as part of "Other Expenses" on the Statement of Operations.

The Portfolio's expenses may be reduced by expense offsets from an unaffiliated custodian and/or transfer agent. Such credits or offsets are included in "Expense and Fee Offset" on the Statement of Operations (if applicable). The transfer agent fee offsets received during the period reduce "Transfer agent fees and expenses" on the Statement of Operations (if applicable). Custodian offsets received reduce "Custodian fees" on the Statement of Operations (if applicable). The Portfolio could have employed the assets used by the custodian and/or transfer agent to produce income if it had not entered into an expense offset arrangement.

Pursuant to the terms and conditions of an SEC exemptive order and the provisions of the 1940 Act, the Portfolio may participate in an affiliated or nonaffiliated cash sweep program. In the cash sweep program,

uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or nonaffiliated money market funds or cash management pooled investment vehicles. The Portfolio is eligible to participate in the cash sweep program (the "Investing Fund"). Janus Cash Liquidity Fund LLC is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. Janus Cash Liquidity Fund LLC currently maintains a NAV of \$1.00 per share and distributes income daily in a manner consistent with a registered 2a-7 product. There are no restrictions on the Portfolio's ability to withdraw investments from Janus Cash Liquidity Fund LLC at will, and there are no unfunded capital commitments due from the Portfolio to Janus Cash Liquidity Fund LLC. As adviser, Janus Capital has an inherent conflict of interest because of its fiduciary duties to the affiliated cash management pooled investment vehicles and the Investing Fund.

During the period ended June 30, 2011, the Portfolio recorded distributions from affiliated investment companies as affiliated dividend income, and had the following affiliated purchases and sales:

	<i>Purchases Shares/Cost</i>	<i>Sales Shares/Cost</i>	<i>Dividend Income</i>	<i>Value at 6/30/11</i>
<i>Janus Aspen Enterprise Portfolio</i>				
<i>Janus Cash Liquidity Fund LLC</i>	\$45,704,504	\$(79,526,000)	\$14,967	\$12,878,233

## 5. FEDERAL INCOME TAX

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from accounting principles generally accepted in the United States of America. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, foreign currency transactions, net investment losses and capital loss carryovers.

The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and

losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of June 30, 2011 are noted below.

Unrealized appreciation and unrealized depreciation in the table below exclude appreciation/(depreciation) on foreign currency translations. The primary difference between book and tax appreciation or depreciation of investments is wash sale loss deferrals.

<i>Portfolio</i>	<i>Federal Tax Cost</i>	<i>Unrealized Appreciation</i>	<i>Unrealized (Depreciation)</i>	<i>Net Tax Appreciation</i>
<i>Janus Aspen Enterprise Portfolio</i>	\$396,586,606	\$228,868,521	\$(3,905,644)	\$224,962,877

Net capital loss carryovers as of December 31, 2010 are indicated in the table below. These losses may be available to offset future realized capital gains and thereby reduce future taxable gains distributions. Under the recently enacted Regulated Investment Company Modernization Act of 2010, the Funds will be permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. Losses incurred during those future years will be

required to be utilized prior to the losses incurred in pre-enactment taxable years. As a result of this ordering rule, pre-enactment capital loss carryforwards may more likely expire unused. Also, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law. The following table shows the expiration dates of the carryovers.

*Capital Loss Carryover Expiration Schedule  
For the year ended December 31, 2010*

<i>Portfolio</i>	<i>December 31, 2011</i>	<i>December 31, 2017</i>	<i>Accumulated Capital Losses</i>
Janus Aspen Enterprise Portfolio <sup>(1)</sup>	\$(24,166,141)	\$(114,216,963)	\$(138,383,104)

(1) Capital loss carryover is subject to annual limitations.

## 6. CAPITAL SHARE TRANSACTIONS

<i>For the six-month period ended June 30, 2011 (unaudited) and the fiscal year ended December 31, 2010 (all numbers in thousands)</i>	<i>Janus Aspen Enterprise Portfolio</i>	
	<i>2011</i>	<i>2010</i>
Transactions in Portfolio Shares – Institutional Shares		
Shares sold	428	638
Reinvested dividends and distributions	–	8
Shares repurchased	(1,160)	(2,509)
Net Increase/(Decrease) in Portfolio Shares	(732)	(1,863)
Shares Outstanding, Beginning of Period	10,189	12,052
Shares Outstanding, End of Period	9,457	10,189
Transactions in Portfolio Shares – Service Shares		
Shares sold	495	1,101
Reinvested dividends and distributions	–	–
Shares repurchased	(1,060)	(2,025)
Net Increase/(Decrease) in Portfolio Shares	(565)	(924)
Shares Outstanding, Beginning of Period	6,495	7,419
Shares Outstanding, End of Period	5,930	6,495

## 7. PURCHASES AND SALES OF INVESTMENT SECURITIES

For the period ended June 30, 2011, the aggregate cost of purchases and proceeds from sales of investment

securities (excluding short-term securities and short-term options contracts) was as follows:

<i>Portfolio</i>	<i>Purchases of Securities</i>	<i>Proceeds from Sales of Securities</i>	<i>Purchases of Long- Term U.S. Government Obligations</i>	<i>Proceeds from Sales of Long-Term U.S. Government Obligations</i>
Janus Aspen Enterprise Portfolio	\$52,635,463	\$85,020,381	\$–	\$–

# Notes to Financial Statements (unaudited) (continued)

## 8. PENDING LEGAL MATTERS

Janus Capital is involved in one remaining lawsuit arising from the Securities and Exchange Commission's and the Office of the New York State Attorney General's 2003 market timing investigation which asserts derivative claims by investors in certain Janus funds ostensibly on behalf of such funds. The case (Steinberg et al. v. Janus Capital Management, LLC et al., U.S. District Court, District of Maryland, Case No. 04-CV-00518) is before the U.S. District Court for the District of Maryland. The trial court entered an order on January 20, 2010, granting Janus Capital's Motion for Summary Judgment and dismissing the remaining claims asserted against the company. However, in February 2010, Plaintiffs appealed the trial court's decision with the United States Court of Appeals for the Fourth Circuit. Oral arguments are scheduled for September 2011.

In June 2011, after a trial court dismissal and subsequent appeal, the First Derivative Traders et al. v. Janus Capital Group Inc. et al., U.S. District Court, District of Maryland, MDL 1586 suit (a putative class of shareholders of Janus Capital Group Inc. ("JCGI") asserting claims against JCGI and Janus Capital) was dismissed in JCGI's and Janus Capital's favor by the United States Supreme Court.

Janus Capital does not currently believe that the pending action will materially affect its ability to continue providing services it has agreed to provide to the Janus funds. Additional lawsuits may be filed against certain of the Janus funds, Janus Capital, and related parties in the future.

## 9. NEW ACCOUNTING PRONOUNCEMENTS

In January 2010, the FASB issued Accounting Standards Update, "Improving Disclosures About Fair Value Measurements." The Accounting Standards Update requires disclosures about purchases, sales, issuances, and settlements on a gross basis relating to Level 3 measurements. This disclosure is effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The adoption of this Accounting Standards Update did not have any impact on the Portfolio's financial position or the results of its operations.

## 10. SUBSEQUENT EVENT

Effective July 1, 2011, Janus Capital is reimbursed additional out-of-pocket costs from the Portfolio that it incurs for providing administration services to the Portfolio (to the extent Janus Capital seeks reimbursement and such costs are not otherwise waived).

Management has evaluated whether any other events or transactions occurred subsequent to June 30, 2011 and through the date of issuance of the Portfolio's financial statements and determined that there were no other material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

# Additional Information (unaudited)

## **PROXY VOTING POLICIES AND VOTING RECORD**

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-0020 (toll free); (ii) on the Portfolio's website at [janus.com/proxyvoting](http://janus.com/proxyvoting); and (iii) on the SEC's website at <http://www.sec.gov>. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through [janus.com/proxyvoting](http://janus.com/proxyvoting) and from the SEC's website at <http://www.sec.gov>.

## **QUARTERLY PORTFOLIO HOLDINGS**

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC for the first and third quarters of each fiscal year on Form N-Q within 60 days of the end of such fiscal quarter. The Portfolio's Form N-Q: (i) is available on the SEC's website at <http://www.sec.gov>; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) is available without charge, upon request, by calling Janus at 1-800-525-0020 (toll free).

# Explanations of Charts, Tables and Financial Statements (unaudited)

## 1. PERFORMANCE OVERVIEWS

Performance overview graphs compare the performance of a hypothetical \$10,000 investment in the Portfolio (from inception) with one or more widely used market indices. The hypothetical example does not represent the returns of any particular investment.

When comparing the performance of the Portfolio with an index, keep in mind that market indices do not include brokerage commissions that would be incurred if you purchased the individual securities in the index. They also do not include taxes payable on dividends and interest or operating expenses incurred if you maintained the Portfolio invested in the index.

Average annual total returns are also quoted for the Portfolio. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized and unsubsidized ratios for the prior fiscal year. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The total annual fund operating expenses ratio is based on average net assets as of the fiscal year ended December 31, 2010. The ratio also includes expenses indirectly incurred by the Portfolio as a result of investing in other investment companies or pooled investments, which are not reflected in the "Financial Highlights" of this report. As a result, this ratio may be higher or lower than those shown in the "Financial Highlights" in this report. All expenses are shown without the effect of expense offset arrangements. Pursuant to such arrangements, credits realized as a result of uninvested cash balances are used to reduce custodian and transfer agent expenses.

## 2. SCHEDULE OF INVESTMENTS

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the industry concentrations and types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio's exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country in which the company is incorporated. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Bloomberg L.P.

## 2A. FORWARD CURRENCY CONTRACTS

A table listing forward currency contracts follows the Portfolio's Schedule of Investments (if applicable). Forward currency contracts are agreements to deliver or receive a preset amount of currency at a future date. Forward currency contracts are used to hedge against foreign currency risk in the Portfolio's long-term holdings.

The table provides the name of the foreign currency, the settlement date of the contract, the amount of the contract, the value of the currency in U.S. dollars and the amount of unrealized gain or loss. The amount of unrealized gain or loss reflects the change in currency exchange rates from the time the contract was opened to the last day of the reporting period.

## 3. STATEMENT OF ASSETS AND LIABILITIES

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on stocks owned and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's

net assets (assets minus liabilities) by the number of shares outstanding.

#### **4. STATEMENT OF OPERATIONS**

This statement details the Portfolio's income, expenses, gains and losses on securities and currency transactions, and appreciation or depreciation of current Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from stocks and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the increase or decrease in the value of securities held in the Portfolio. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. An unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

#### **5. STATEMENTS OF CHANGES IN NET ASSETS**

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends, distributions and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment performance. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends in cash, money is taken out of the Portfolio to pay the distribution. If investors reinvest their dividends, the Portfolio's net assets will not be affected. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to the "Reinvested dividends and distributions," you will notice that dividend distributions had little effect on the Portfolio's net assets. This is because the majority of Janus investors reinvest their distributions.

The reinvestment of dividends is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

#### **6. FINANCIAL HIGHLIGHTS**

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods. Not only does this table provide you with total return, it also reports total distributions, asset size, expense ratios and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income per share, which comprises dividends and interest income earned on securities held by the Portfolio. Following is the total of gains/(losses), realized and unrealized. Dividends and distributions are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the average annual total return reported the last day of the period. The total return may include adjustments in accordance with generally accepted accounting principles. As a result, the total return may differ from the total return reflected for shareholder transactions.

Also included are the expense ratios, or the percentage of average net assets that were used to cover operating expenses during the period. Expense ratios vary across Portfolios within the Trust for a number of reasons, including the differences in management fees, the frequency of dividend payments and the extent of foreign investments, which entail greater transaction costs.

The Portfolio's expenses may be reduced through expense-reduction arrangements. These arrangements may include the use of balance credits or transfer agent fee offsets. The Statement of Operations reflects total expenses before any such offset, the amount of the offset and the net expenses. The expense ratios listed in the Financial Highlights reflect total expenses prior to any expense offset (gross expense ratio) and after the expense offsets (net expense ratio). Both expense ratios reflect expenses after waivers (reimbursements), if applicable.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Don't confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it doesn't take into account the dividends distributed to the Portfolio's investors.

# Explanations of Charts, Tables and Financial Statements (unaudited) (continued)

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments and the investment style and/or outlook of the portfolio manager. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

# Notes

# Notes

# Notes

# Janus provides access to a wide range of investment disciplines.

## Alternative

Janus alternative funds seek to deliver strong risk-adjusted returns over a full market cycle with lower correlation to equity markets than traditional investments.

## Asset Allocation

Janus' asset allocation funds utilize our fundamental, bottom-up research to balance risk over the long term. From fund options that meet investors' risk tolerance and objectives to a method that incorporates non-traditional investment choices to seek non-correlated sources of risk and return, Janus' asset allocation funds aim to allocate risk more effectively.

## Core

Janus core funds seek investments in more stable and predictable companies. These funds look for a strategic combination of steady growth and for certain funds, some degree of income.

## Fixed Income

Janus fixed income funds attempt to provide less risk relative to equities while seeking to deliver a competitive total return through high current income and appreciation. Janus money market funds seek capital preservation and liquidity with current income as a secondary objective.

## Global & International

Janus global and international funds seek to leverage Janus' research capabilities by taking advantage of inefficiencies in foreign markets, where accurate information and analytical insight are often at a premium.

## Growth

Janus growth funds focus on companies believed to be the leaders in their respective industries, with solid management teams, expanding market share, margins and efficiencies.

## Risk Managed

Our risk-managed funds seek to outperform their respective indices while maintaining a risk profile equal to or lower than the index itself. Managed by INTECH (a Janus subsidiary), these funds use a mathematical process in an attempt to build a more "efficient" portfolio than the index.

## Value

Perkins value funds seek to identify companies with favorable reward to risk characteristics by conducting rigorous downside analysis before determining upside potential.

**For more information about our funds, contact your investment professional or go to [janus.com/variable-insurance](http://janus.com/variable-insurance).**



JANUS

Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, please call Janus at 1-877-335-2687 or download the file from [janus.com/variable-insurance](http://janus.com/variable-insurance). Read it carefully before you invest or send money.

Funds distributed by Janus Distributors LLC (08/11)

Investment products offered are: 

NOT FDIC-INSURED	MAY LOSE VALUE	NO BANK GUARANTEE
------------------	----------------	-------------------

C-0711-107

109-24-81116 08-11

## 2010 Management Fee Evaluation

To be accompanied with the Janus Aspen Series June 30, 2011 Semiannual Report

During November and December of 2010, the Boards of Trustees (Trustees) of Janus Investment Fund (JIF) and Janus Aspen Series (JAS) reviewed significant information in connection with considering the continuation of existing investment advisory agreements in effect between Janus Capital Management LLC (JCM) and certain series of JIF and JAS (together, the Janus Funds).<sup>1</sup> In connection with their review, the Trustees engaged an independent fee consultant to assist them in the evaluation of the following fee-related issues:

- the nature, extent, and quality of JCM's services provided to the Janus Funds, including fund performance;
- management fees<sup>2</sup> (and components thereof) charged by other mutual fund advisers for similar services, including a comparison of total expenses;<sup>3</sup>
- management fees (and components thereof) charged to JCM's institutional and other clients for similar services;
- costs to JCM and its affiliates of providing services pursuant to the investment advisory agreements;
- profit margins of JCM and its affiliates from providing those services;
- possible economies of scale as a fund grows larger; and
- continued use of performance fees on certain Janus Funds.

On December 3, 2010, the Trustees approved the continuation of the existing investment advisory agreements and related administration agreements for each of the Janus Funds, having determined, in consultation with their independent fee consultant, that the management fees charged by JCM to each of the Janus Funds, in relation to the services provided by JCM, were reasonable.

The following summarizes the findings of the independent fee consultant retained by the Trustees as provided to the Trustees on December 3, 2010.

### Summary Findings

JCM delivers strong levels of performance and service to the Janus Funds at management fees that are significantly lower than the mean management fees charged by the advisers of comparable mutual funds. For the 36 months ended May 31, 2010, approximately 46% of the Janus Funds were in the top quartile of performance when compared to their respective peer groups established by Lipper, Inc. ("Lipper") based on total returns, and approximately 80% were in the top two quartiles. For the 12 months ended May 31, 2010, approximately 41% of the Janus Funds were in the top quartile of performance, and approximately 64% were in the top two quartiles. Forty-seven percent of the Janus Funds had a four- or five-star overall rating from Morningstar as of September 30, 2010. Please visit [janus.com](http://janus.com) or call 877-335-2687 for more recent performance information for the Janus Funds.

For the fiscal periods ended December 31, 2009<sup>4</sup> or March 31, 2010<sup>5</sup> (together, the "Fiscal Periods"), the total expenses of the Janus Funds were, on average, 18% below the mean total expenses of each fund's respective Lipper Expense Group and 26% below the mean total expenses for the respective Lipper Expense Universe.

For the Fiscal Periods, the management fees for the Janus Funds were, on average, 7% below the mean management fees for each fund's respective Lipper Expense Group and 6% below the mean for the respective Lipper Expense Universe.

Within those larger averages, the management fees and total expenses of individual Janus Funds and share classes are reasonable.

The management fees JCM charges to the Janus Funds are also reasonable in relation to the management fees it charges to its other institutional accounts. Those other accounts have different service and infrastructure needs. Moreover, the average spread between management fees charged to the Janus Funds and those charged to other accounts is less than the average spread between such management fees charged by other advisers according to recent industry surveys.

The level of profit earned by JCM from managing the Janus Funds appears to be reasonable.

Analysis completed by the independent fee consultant cannot demonstrate or confirm overall economies of scale in the Janus complex. As a manager of a large fund complex, JCM may have certain economies of scale that can provide benefits as assets grow.

The indices and methodologies used in the calculation of performance fees are appropriate, including for continued use. The use of performance fee adjustments has not had a negative impact on the management or risk profile of the Janus Funds that have performance fees.

### Findings Related to Specific Factors

The following information contains certain conclusions of the independent fee consultant with respect to each of the factors described above:

#### *I. Nature and Quality of Services Provided*

JCM provides a number of different services for the Janus Funds and their shareholders ranging from investment management service to various other servicing functions. JCM is a capable provider of those services. JCM has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance for its clients over the long term. These include:

- **Leading Edge Research** - JCM has a research staff that provides a steady stream of proprietary ideas and analytical rigor to the Janus fund managers.
- **Breadth of Research Coverage** - JCM has invested in growing its research talent into a number of different market sectors and asset classes. This expanded breadth assists Janus fund managers by offering a more diversified investment base and more opportunities to find undervalued securities.
- **Performance-Focused Culture** - JCM has a performance-driven culture combining both strong competitive instincts and collegial cooperation. JCM's Denver location, away from the major financial centers, can be a positive element in building a strong team and culture.
- **Customer Service Driven Culture** - In their customer service and transfer agency operations, JCM and its affiliates have maintained a strong commitment to service and to measurements tracking service performance. JCM has made continual improvements to its website,

providing strong web-based service capabilities. As the market has evolved towards advice-driven channels, JCM has evolved its distribution organization and services to support these new channels.

- **Efficient Cost Structure and Associated Low Total Expenses** - JCM has developed an ability to leverage its investment management personnel across larger pools of assets than many other complexes. To the extent lower operating costs at JCM allow lower management fees or additional investments in investment management, these lower costs can enhance performance of the Janus Funds.
- **Financial Discipline** - JCM has shown strong financial discipline in recent years by aggressively managing its costs in the face of declines in revenues. Throughout this process, JCM has continued to invest in its research staff to maintain its core competence in investment management. Janus has also preserved core capabilities while cutting costs and restructuring its capital structure on a more conservative basis.
- **Quality Trading Infrastructure** - JCM maintains trading operations in Denver, London, and Singapore. Trading personnel are competent, qualified professionals supported by strong systems and market linkages. In particular it was noted that JCM traders are a significant source of advantage for JCM in obtaining best execution on trades.

## **II. Total Expenses Paid by the Janus Funds vs. Those Paid by Other Mutual Funds**

**All Janus Funds:** As of the Fiscal Periods, the total expenses of each of the Janus Funds were 18% to 26% below the mean total expenses of comparable funds within a fund's respective Lipper peer group. In most cases, Janus was below peer expenses for expense components of individual fund segments. There were five areas where a certain component of Janus average expenses for a given fund category was above peer expenses.

These five areas were (a) Janus Growth Funds nonmanagement expenses, (b) Janus Value Funds 12b-1/service expenses, (c) Janus Specialty Funds nonmanagement expenses, (d) Janus Mixed Asset Funds management fees, and (e) Janus Fixed-Income Funds management fees. Each of these areas received deeper analysis. The independent fee consultant concluded that, in those areas where a JCM expense component was above peer expense averages, such variances were reasonable.

*Please visit [janus.com/info](http://janus.com/info) (or [janus.com/reports](http://janus.com/reports) if you hold shares directly with Janus) or call Janus at 877.33JANUS (or 800.525.3713 if you hold shares directly with Janus) for information on Janus Funds' expenses or to obtain a prospectus that includes a description of such expenses.*

**Individual Janus Funds** (consisting of 240 individual share classes): As of the Fiscal Periods, 148 of the Janus Funds' share classes had a level of performance versus peers significantly better than the relative level of their expenses versus peers.<sup>6</sup> Another 55 of the Janus Funds' share classes were found to have expense ratios that appeared balanced in relation to their performance.<sup>7</sup> Within this group, individual classes with higher expenses had higher performance; and individual classes with lower expenses had lower performance. Seventeen share classes did not yet have three-year performance histories for evaluation and such classes were categorized based on one-year of returns.<sup>8</sup> Analysis of 20 share classes found that trend lines by fund, recent and planned corrective action, assets under management (AUM) levels, average account size and other factors found expenses on these classes to be reasonable.<sup>9</sup>

## **III. Management Fees Paid by Janus Funds vs. Those Paid by Other Mutual Funds**

**All Janus Funds:** The asset-weighted mean management fee paid by the Janus Funds for the Fiscal Periods was 7% below the 0.68% mean management fees of the respective Lipper Expense Group and 6% below the 0.68% mean management fees of the respective Lipper Expense Universe.

**Individual Janus Funds** (consisting of 240 individual share classes): As of the Fiscal Periods, 137 of the Janus Funds' share classes had a level of performance versus peers significantly better than the relative level of their management fees versus peers.<sup>10</sup> Forty-seven classes were found to have management fees that appeared balanced in relation to their performance.<sup>11</sup> Within the latter group, individual classes with higher management fees had higher performance, and individual classes with lower management fees had lower performance. Seventeen share classes did not yet have three-year performance histories for evaluation and were categorized based on one-year returns.<sup>12</sup> Ten share classes were in full management fee waiver typically associated with new and smaller funds.<sup>13</sup> Twenty-nine share classes received more detailed review. The detailed review of these classes found that trend lines and/or planned corrective actions were likely to result in reasonable fee and service combinations for investors.<sup>14</sup>

## **IV. Management Fees Paid by Janus Funds vs. Those Paid by Other Janus Clients**

In addition to managing mutual funds, JCM also provides investment management and administrative services to other types of clients, including institutional/private accounts (also called separate accounts) and sub-advised mutual funds. Similar to other asset managers, JCM's services for these different account types have significant differences, as shown below.

<u>Mutual Funds</u>	<u>Institutional Accounts</u>
- Serve a large base of investors	- Serve a narrower base of investors
- Distributed mostly by intermediaries	- Distributed directly
- Small shareholder account balances	- Large account balances
- Standardized pricing/fees	- Customized pricing/fees
- Standardized reporting	- Customized reporting
- Offer daily liquidity	- Offer less than daily liquidity
- Subject to 1940 Act regulation	- Not subject to 1940 Act regulation
- Extensive regulatory reporting	- Limited regulatory reporting
- Board oversight	- No Board oversight
- Class action suits filed	- No class action suits filed

Within the industry, pricing for different account types reflects those differences. The independent fee consultant reviewed industry data on institutional account fees and analyzed the fee spreads between JCM institutional accounts and their mutual fund counterparts, relative to retail-institutional fee spreads seen across the industry. The independent fee consultant believes that the differential between management fees charged to the Janus Funds by JCM and management fees charged to institutional accounts by JCM are reasonable in light of the different levels of services provided. In addition, JCM's differential between its institutional and mutual fund fees is significantly less than the mean differential seen between institutional and mutual fund advisory fees in the industry.

## V. JCM Costs and Profitability

JCM generated profit margins that are in line with other large public advisers. In the opinion of the independent fee consultant, healthy profitability should help investors by ensuring JCM has both a continued ability to attract top investment management talent, and a continuing ability to invest in those resources and activities that produce superior performance.

## VI. Possible Economies of Scale

As a manager of a large fund complex, JCM and the Janus Funds may have economies of scale in certain cost elements that can provide benefits as assets grow. Some areas which may have such benefits are:

- **Out of Pocket Expenses** - The Janus Funds may share directly in any expense reductions negotiated with third-party service providers.
- **Brokerage Commissions** - The Janus Funds share directly in the economies of scale through JCM's negotiation of favorable brokerage commission rates for portfolio transactions.
- **Other** - The Janus Funds can also benefit indirectly from economies of scale through the enhanced levels of resources such economies provide to JCM in its pursuit of performance. One example of this is the addition of research staff as assets grow.
- **Other Fund Nonmanagement Expenses** - The Janus Funds may also benefit from a reduction in certain nonmanagement expenses that tend to decline as a fund's assets grow larger.

There may be diseconomies of scale in certain costs that can work against economies found in other cost elements. Some areas which may have such diseconomies are:

- large complex legal and regulatory costs; and
- concentrated fund trading costs.

The independent fee consultant considered various analytical approaches in viewing economies or diseconomies of scale.

## VII. Continued Use of Performance Fees on Janus Funds

In assessing whether the continued use of performance fees on certain Janus Funds is appropriate, the independent fee consultant considered (a) the appropriateness of benchmarks used, (b) the appropriateness of the performance calculation methodology, (c) whether any performance based adjustment had any adverse effect on the management or risk profile of the Janus Funds that have performance fees, and (d) the appropriateness of the continued use of performance based adjustment structure set out in the advisory agreements. Following this review, the independent fee consultant determined that the continued use of performance fees is appropriate for Janus Funds that charge a performance fee and is in the interests of fund shareholders.

## Conclusions

The independent fee consultant concluded that the services provided by JCM and expenses incurred by the Janus Funds over the prior year were reasonable and provide adequate justification for continuation of the Janus Funds' existing advisory agreements.

---

***Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus, containing this and other information, please call Janus at 877.335.2687 (or 800.525.3713 if you hold shares directly with Janus) or download the file from [janus.com/info](http://janus.com/info) (or [janus.com/reports](http://janus.com/reports) if you hold shares directly with Janus). Read it carefully before you invest or send money.***

***An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.***

<sup>1</sup>The Trustees considered information related to all share classes of each fund within JIF and JAS that had commenced operations as of June 30, 2010.

<sup>2</sup>"Management fees" refers to the actual annual rate of advisory and administration fees, net of any waivers, paid by a fund as a percentage of the fund's average net assets.

<sup>3</sup>"Total expenses" refers to the total annual expenses, net of any fee waivers, paid by a fund as a percentage of the fund's average net assets.

<sup>4</sup>The Janus Funds with the fiscal period ended December 31, 2009 are: Janus Conservative Allocation Fund, Janus Dynamic Allocation Fund, Janus Flexible Bond Fund, Janus Government Money Market Fund, Janus Growth Allocation Fund, Janus High-Yield Fund, Janus Moderate Allocation Fund, Janus Money Market Fund, Janus Short-Term Bond Fund, INTECH Risk-Managed Core Fund, INTECH Risk-Managed Growth Fund, INTECH Risk-Managed International Fund, INTECH Risk-Managed Value Fund, Perkins Large Cap Value Fund, Perkins Mid Cap Value Fund, Perkins Small Cap Value Fund, Janus Aspen Balanced Portfolio, Janus Aspen Enterprise Portfolio, Janus Aspen Flexible Bond Portfolio, Janus Aspen Forty Portfolio, Janus Aspen Global Technology Portfolio, Janus Aspen Janus Portfolio, Janus Aspen Overseas Portfolio, Janus Aspen Perkins Mid Cap Value Portfolio, and Janus Aspen Worldwide Portfolio.

<sup>5</sup>The Janus Funds with the fiscal period ended March 31, 2010 are: Janus Balanced Fund, Janus Contrarian Fund, Janus Enterprise Fund, Janus Forty Fund, Janus Fund, Janus Global Life Sciences Fund, Janus Global Real Estate Fund, Janus Global Research Fund, Janus Global Select Fund, Janus Global Technology Fund, Janus Growth and Income Fund, Janus International Equity Fund, Janus Long/Short Fund, Janus Overseas Fund, Janus Research Core Fund, Janus Research Fund, Janus Triton Fund, Janus Twenty Fund, Janus Venture Fund, Janus Worldwide Fund, and Perkins Global Value Fund.

<sup>6</sup>The 148 Janus Funds' share classes are: Janus Balanced Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Conservative Allocation Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Enterprise Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Flexible Bond Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Forty Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Global Life Sciences Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Research Fund (Class A Shares, Class D Shares, Class T Shares), Janus Global Select Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Technology Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Government Money Market Fund (Class D Shares, Class T Shares), Janus Growth Allocation Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus High-Yield Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus International Equity Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Moderate Allocation Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Money Market Fund (Class D Shares, Class T Shares), Janus Overseas Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Research Fund (Class D Shares, Class T Shares), Janus Short-Term Bond Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class T Shares), Janus Triton Fund (Class A

Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Twenty Fund (Class D Shares, Class T Shares), Janus Venture Fund (Class D Shares, Class T Shares), Janus Worldwide Fund (Class D Shares, Class I Shares, Class T Shares), INTECH Risk-Managed Core Fund (Class D Shares, Class I Shares, Class T Shares), INTECH Risk-Managed Growth Fund (Class I Shares), INTECH Risk-Managed Value Fund (Class A Shares, Class I Shares, Class T Shares), Perkins Global Value Fund (Class D Shares, Class T Shares), Perkins Mid Cap Value Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class L Shares, Class R Shares, Class S Shares, Class T Shares), Perkins Small Cap Value Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class L Shares, Class R Shares, Class S Shares, Class T Shares), Janus Aspen Balanced Portfolio (Institutional Shares, Service Shares), Janus Aspen Flexible Bond Portfolio (Institutional Shares, Service Shares), Janus Aspen Forty Portfolio (Institutional Shares, Service Shares), Janus Aspen Global Technology Portfolio (Institutional Shares, Service Shares, Service II Shares), Janus Aspen Janus Portfolio (Institutional Shares), Janus Aspen Overseas Portfolio (Institutional Shares, Service Shares, Service II Shares), and Janus Aspen Perkins Mid Cap Value Portfolio (Institutional Shares, Service Shares).

<sup>7</sup>The 55 Janus Funds' share classes are: Janus Contrarian Fund (Class D Shares), Janus Enterprise Fund (Class C Shares, Class R Shares), Janus Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Research Fund (Class C Shares, Class I Shares, Class S Shares), Janus Global Select Fund (Class R Shares), Janus Global Technology Fund (Class C Shares), Janus Growth and Income Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus High-Yield Fund (Class C Shares, Class R Shares), Janus Long/Short Fund (Class I Shares, Class T Shares), Janus Research Core Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Research Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares), Janus Short-Term Bond Fund (Class S Shares), Janus Worldwide Fund (Class A Shares, Class R Shares, Class S Shares), INTECH Risk-Managed Core Fund (Class A Shares, Class C Shares, Class S Shares), INTECH Risk-Managed Growth Fund (Class A Shares, Class S Shares, Class T Shares), INTECH Risk-Managed International Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares), INTECH Risk-Managed Value Fund (Class C Shares, Class S Shares), Perkins Global Value Fund (Class A Shares, Class I Shares, Class S Shares), Janus Aspen Enterprise Portfolio (Institutional Shares, Service Shares), Janus Aspen Janus Portfolio (Service Shares), and Janus Aspen Worldwide Portfolio (Institutional Shares).

<sup>8</sup>The 17 Janus Funds' share classes are: Janus Dynamic Allocation Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Real Estate Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), and Perkins Large Cap Value Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares).

<sup>9</sup>The 20 Janus Funds' share classes are: Janus Contrarian Fund (Class A Shares, Class C Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Fund (Class R Shares), Janus Growth and Income Fund (Class C Shares, Class R Shares), Janus Long/Short Fund (Class A Shares, Class C Shares, Class R Shares, Class S Shares), Janus Research Core Fund (Class C Shares, Class R Shares), Janus Worldwide Fund (Class C Shares), INTECH Risk-Managed Growth Fund (Class C Shares), Perkins Global Value Fund (Class C Shares), and Janus Aspen Worldwide Portfolio (Service Shares, Service II Shares).

<sup>10</sup>The 137 Janus Funds' share classes are: Janus Balanced Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Conservative Allocation Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Enterprise Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Flexible Bond Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Forty Fund (Class A Shares, Class C Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Global Life Sciences Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Research Fund (Class D Shares, Class T Shares), Janus Global Select Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Global Technology Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Government Money Market Fund (Class D Shares, Class T Shares), Janus Growth Allocation Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus High-Yield Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus International Equity Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Moderate Allocation Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Money Market Fund (Class D Shares, Class T Shares), Janus Overseas Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Short-Term Bond Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class T Shares), Janus Triton Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Twenty Fund (Class D Shares, Class T Shares), INTECH Risk-Managed Core Fund (Class A Shares, Class D Shares, Class I Shares, Class T Shares), Perkins Global Value Fund (Class D Shares, Class T Shares), Perkins Mid Cap Value Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class L Shares, Class R Shares, Class S Shares, Class T Shares), Perkins Small Cap Value Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class L Shares, Class R Shares, Class S Shares, Class T Shares), Janus Aspen Balanced Portfolio (Institutional Shares, Service Shares), Janus Aspen Flexible Bond Portfolio (Institutional Shares, Service Shares), Janus Aspen Forty Portfolio (Institutional Shares, Service Shares), Janus Aspen Global Technology Portfolio (Institutional Shares, Service Shares, Service II Shares), Janus Aspen Janus Portfolio (Institutional Shares), Janus Aspen Overseas Portfolio (Institutional Shares, Service Shares, Service II Shares), and Janus Aspen Perkins Mid Cap Value Portfolio (Institutional Shares, Service Shares).

<sup>11</sup>The 47 Janus Funds' share classes are: Janus Fund (Class A Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Research Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares), Janus Global Technology Fund (Class C Shares), Janus Growth Allocation Fund (Class C Shares), Janus High-Yield Fund (Class C Shares, Class R Shares, Class S Shares), Janus Long/Short Fund (Class I Shares, Class T Shares), Janus Research Core Fund (Class A Shares, Class D Shares, Class I Shares, Class T Shares), Janus Research Fund (Class A Shares, Class D Shares, Class I Shares, Class T Shares), Janus Short-Term Bond Fund (Class S Shares), Janus Venture Fund (Class D Shares, Class T Shares), Janus Worldwide Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), INTECH Risk-Managed Core Fund (Class C Shares, Class S Shares), INTECH Risk-Managed Growth Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares), Perkins Global Value Fund (Class A Shares, Class I Shares, Class S Shares), Janus Aspen Enterprise Portfolio (Institutional Shares, Service Shares), and Janus Aspen Janus Portfolio (Services Shares).

<sup>12</sup>The 17 Janus Funds' share classes are: Janus Dynamic Allocation Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares), Janus Global Real Estate Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares), and Perkins Large Cap Value Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class S Shares, Class T Shares).

<sup>13</sup>The 10 Janus Funds' share classes are: INTECH Risk-Managed International Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares) and INTECH Risk-Managed Value Fund (Class A Shares, Class C Shares, Class I Shares, Class S Shares, Class T Shares).

<sup>14</sup>The 29 Janus Funds' share classes are: Janus Contrarian Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Fund (Class C Shares, Class R Shares), Janus Growth and Income Fund (Class A Shares, Class C Shares, Class D Shares, Class I Shares, Class R Shares, Class S Shares, Class T Shares), Janus Long/Short Fund (Class A Shares, Class C Shares, Class R Shares, Class S Shares), Janus Research Core Fund (Class C Shares, Class R Shares, Class S Shares), Janus Research Fund (Class C Shares, Class S Shares), Perkins Global Value Fund (Class C Shares), and Janus Aspen Worldwide Portfolio (Institutional Shares, Service Shares, Service II Shares).

Effective January 28, 2011, Janus Research Core Fund merged into Janus Growth and Income Fund.