

September 3, 2003

Dear Shareholder:

As you've undoubtedly heard, New York Attorney General Eliot Spitzer today announced that his office has launched an investigation into trading practices in the mutual fund industry. The investigation was prompted by the Attorney General's settlement with a hedge fund, Canary Capital Partners LLC, which allegedly engaged in after-market trading and market timing with certain mutual fund companies.

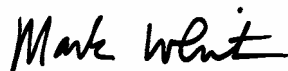
At the outset, it's important to note that Janus was not mentioned in connection with the after-market trading allegations – and that we were not named as a defendant in any legal proceeding. The Attorney General did allege, however, that we – and at least three other fund firms – allowed Canary to market time. He also said that, as the investigation unfolds, it's "a near certainty" other mutual fund companies would be named.

Given that the investigation is in its early stages, there's very little we can say about the allegations except that we're reviewing the complaint closely and intend to continue cooperating with Attorney General Spitzer and his staff.

Like many other reputable mutual fund families, Janus is concerned about market timing in our industry. To that end, we're reviewing instances where frequent trading may have occurred to ensure that we continue to put the best interests of our fund shareholders first.

I realize that these allegations may be troubling, and I want to assure you that we're committed to the highest ethical standards and to acting in the best interests of you – our clients and fund shareholders.

Sincerely,



Mark B. Whiston
President and CEO
Janus Capital Group Inc.

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