

Henderson Group 2017 Extraordinary General Meeting and Annual General Meeting

26 April 2017

Chairman's Address

Since 2013, we have been reporting to you on Henderson's progress on its strategy of growth and globalisation. By the end of last year, we were ahead of the ambitious targets we had set ourselves to grow assets under management, and we had made significant progress on globalising our investment management capabilities and client base. 2016 itself was a tough year, with political upheaval in the UK and the US creating highly volatile market conditions. Against this difficult backdrop, I am pleased to report that our financial performance remained resilient. We are proposing a final dividend of 7.3p per share, to take our dividends for the year to 10.5p per share - a 2% increase in Sterling terms. This is consistent with the Board's continued confidence in our business, and our progressive dividend policy.

In addition, we declared an extraordinary first quarter 2017 dividend of 1.85p per share, with a view to ensuring equality of treatment of both Janus and Henderson shareholders.

Throughout the last three years, your Board has carefully monitored our business's progress, in the context of changes in our global marketplace which favour well-diversified companies with global size and scale. In October 2015, we asked the executive team to explore options to accelerate our growth and globalisation strategy with a transformative corporate move. The merger which we vote on today is the result of a thorough, well thought out and diligently researched process. The similarities between the strategies of Janus and Henderson are remarkable, and the two businesses are deeply complimentary in terms of investment management expertise, client base and distribution footprint. Your board unanimously recommends the merger.

I'll just take a moment to remind you of the transaction headlines. Janus Henderson Investors will have a global client base and global investment management skills, and be responsible for over \$330bn of client money. The company will be formed through an all stock merger, and have a combined market capitalisation of around US\$5.9bn. To maximise liquidity, Janus Henderson will be listed in New York and Australia, but will de-list from the London Stock Exchange. Andrew Formica of Henderson and Dick Weil of Janus will work together as Co-CEOs, and will be based here in London. The Board of the new company will have equal representation from the current Janus and Henderson Boards, and will be chaired by me. I expect the new Board to retain a progressive dividend policy with a payout ratio in line with that currently delivered by Henderson. I look forward to continuing to work with my non-executive colleagues Sarah Arkle, Angela Seymour-Jackson, Kalpana Desai and Kevin Dolan, and would like to take this opportunity to express my enormous thanks to Tim How, our Senior Independent Director, and Robert Jeens, our Chair of Audit, who will step down when the merger completes. I congratulate Henderson executives Roger Thompson, Phil Wagstaff, Jacqui Irvine and Rob Adams on their new roles as members of the Janus Henderson executive committee. The merged company has significant opportunities for value creation, initially through cost synergies and more significantly, through opportunities for revenue growth.

Andrew Formica will describe these opportunities for you in more detail, after he has given you his perspective on Henderson's progress in 2016.