

Janus Henderson Group 3Q18 results presentation

Thursday 1 November 2018

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Chief Executive Officer

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3Q18 results presentation
Business and financial update

Roger Thompson
Chief Financial Officer



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3Q18 highlights

- Solid investment performance
- AUM of US\$378.1bn with positive markets partially offset by net outflows
- Adjusted diluted EPS of US\$0.69
- On track to achieve targeted cost synergies of US\$125 million by end of 2018 – significantly ahead of schedule
- Declared US\$0.36 per share dividend and completed US\$50 million of share buybacks

Key metrics – 3Q18 vs 2Q18

| | 3Q18 | 2Q18 |
|-----------------------------------------------|-------------|-------------|
| 3 year investment outperformance ¹ | 60% | 64% |
| Net flows | (US\$4.3bn) | (US\$2.7bn) |
| Total AUM | US\$378.1bn | US\$370.1bn |
| US GAAP diluted EPS | US\$0.55 | US\$0.70 |
| Adjusted diluted EPS ² | US\$0.69 | US\$0.74 |
| Dividend per share | US\$0.36 | US\$0.36 |

¹ Represents percentage of AUM outperforming the relevant benchmark. Full performance disclosures detailed in the appendix on slide 22.

² See adjusted financial measures reconciliation on slide 31 for additional information.

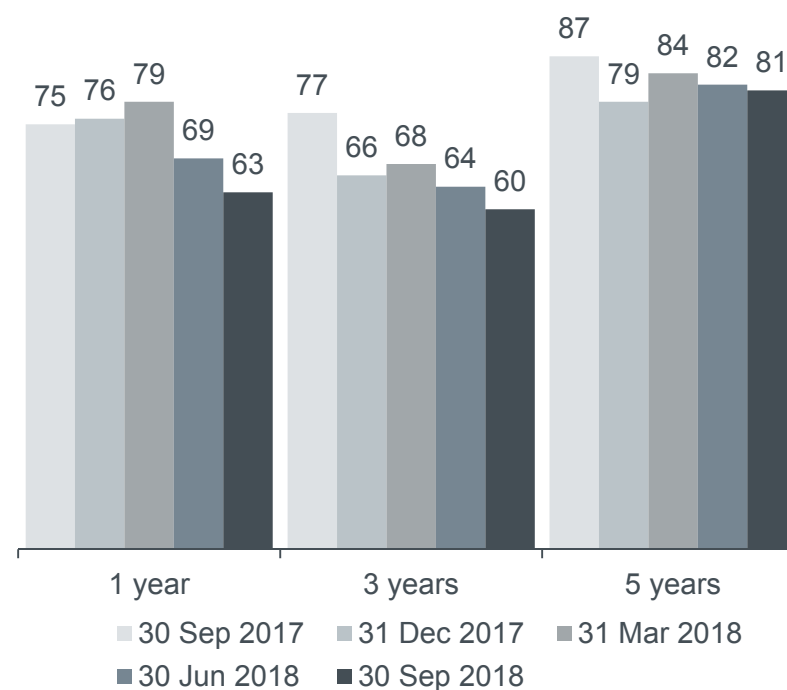
Investment performance

Investment performance reflects ongoing weakness at Intech

% of AUM outperforming benchmark
(as at 30 Sep 2018)

| Capability | 1 year | 3 years | 5 years |
|-----------------------|------------|------------|------------|
| Equities | 61% | 56% | 75% |
| Fixed Income | 79% | 92% | 94% |
| Quantitative Equities | 21% | 8% | 83% |
| Multi-Asset | 89% | 89% | 90% |
| Alternatives | 99% | 73% | 100% |
| Total | 63% | 60% | 81% |

% of AUM outperforming benchmark
(30 Sep 2017 to 30 Sep 2018)



Note: Represents percentage of AUM outperforming the relevant benchmark. Full performance disclosures detailed in the appendix on slide 22.

Total flows

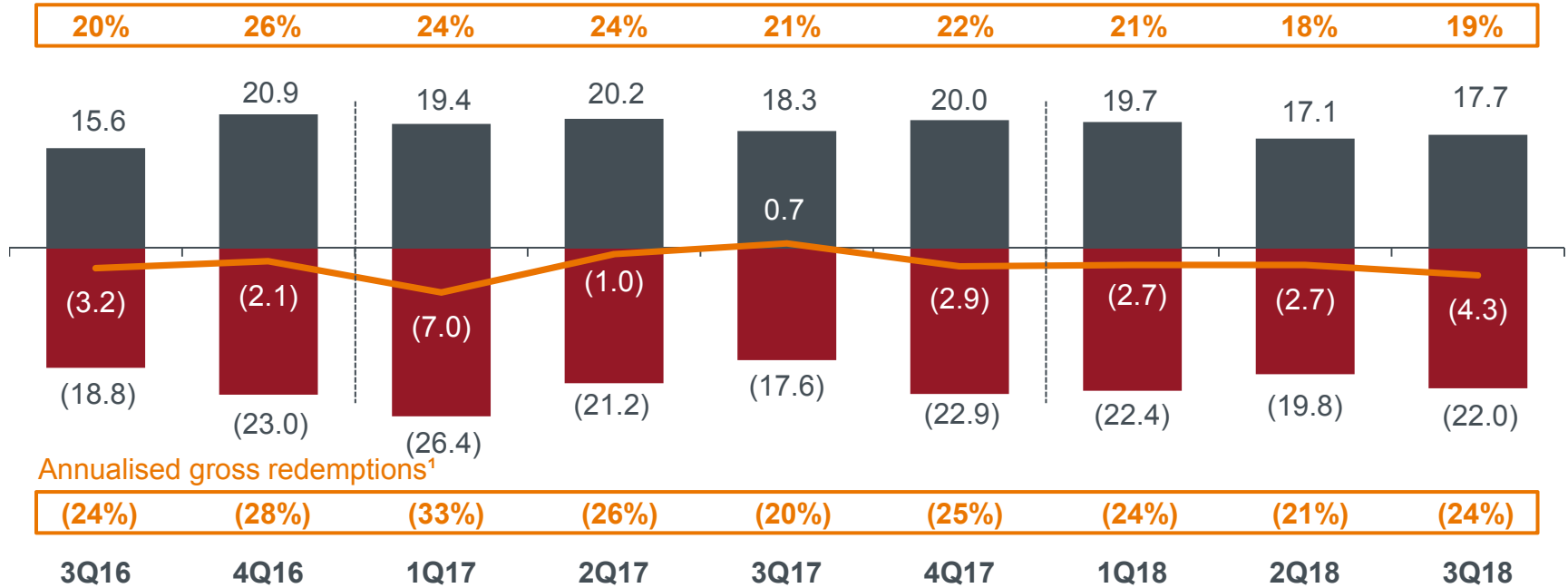
Net outflows continue

Total flows

3Q16 to 3Q18 (US\$bn)

Annualised gross sales¹

■ Sales ■ Redemptions — Net sales / (redemptions)



Note: Data for periods prior to and including 2Q17 presents pro forma flows of JHG as if the merger had occurred at the beginning of the period shown.

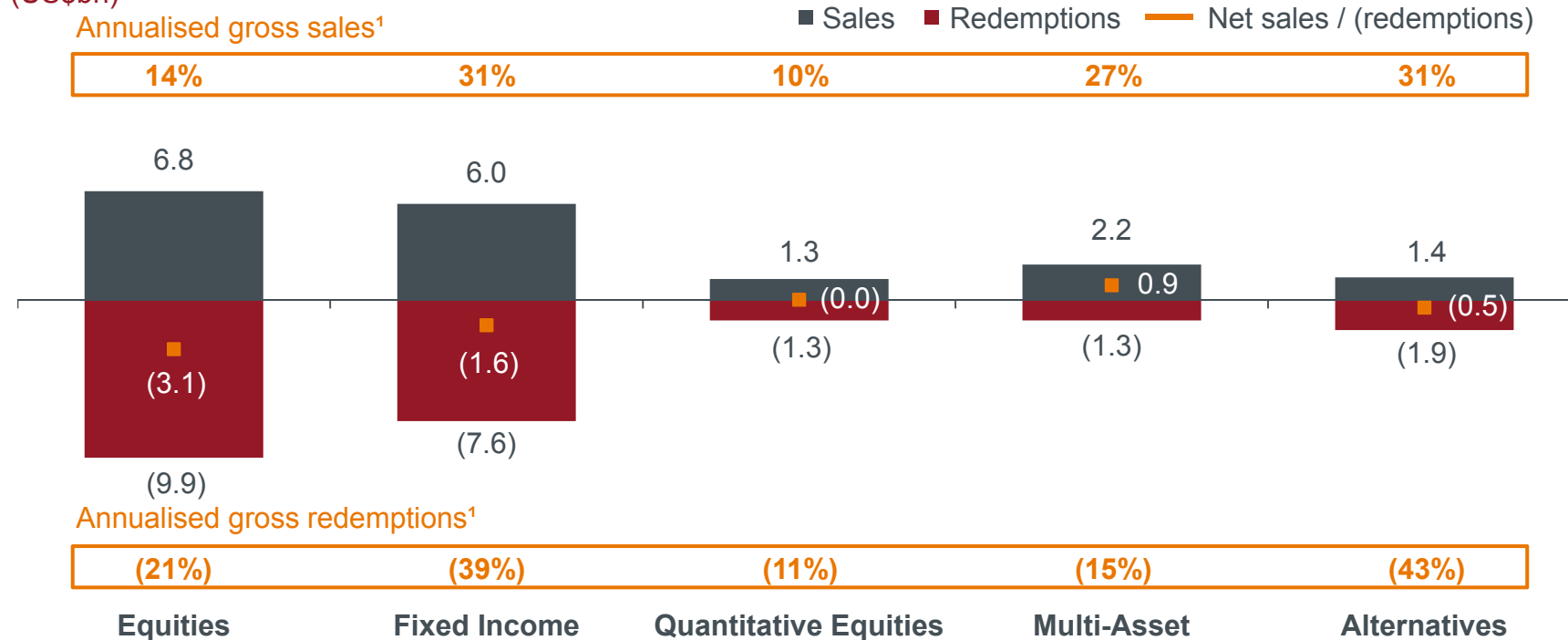
¹ Annualised gross sales and redemption rates calculated as a percentage of beginning period AUM.

3Q18 flows by capability

Outflows in Equity and Fixed Income partially offset by strong Multi-Asset inflows

3Q18 flows by capability

(US\$bn)



¹ Annualised gross sales and redemption rates calculated as a percentage of beginning period AUM.

Statement of income

US GAAP and adjusted

| US\$m | 3 months ended 30 Sep 2018 | | |
|---------------------------------------|----------------------------|----------------|--------------|
| | US GAAP | Adjustments | Adjusted |
| Revenue | | | |
| Management fees | 498.7 | | |
| Performance fees | (6.0) | | |
| Shareowner servicing fees | 33.1 | | |
| Other revenue | 55.4 | | |
| Total revenue | 581.2 | (112.3) | 468.9 |
| Operating expenses | | | |
| Employee compensation and benefits | 159.5 | | |
| Long-term incentive plans | 61.1 | | |
| Distribution expenses | 112.3 | | |
| Investment administration | 12.2 | | |
| Marketing | 7.1 | | |
| General, administrative and occupancy | 59.9 | | |
| Depreciation and amortisation | 20.8 | | |
| Total operating expenses | 432.9 | (144.5) | 288.4 |
| Operating income | 148.3 | 32.2 | 180.5 |

Note: See adjusted financial measures reconciliation on slide 30 for additional information.

Financial highlights

US GAAP and adjusted

Summary of results

| US\$, except margin data | 3Q18 | 2Q18 | Change 3Q18 vs 2Q18 | 3Q17 | Change 3Q18 vs 3Q17 |
|---------------------------|---------|---------|------------------------|---------|------------------------|
| Average AUM | 376.8bn | 369.1bn | 2% | 352.7bn | 7% |
| Total revenue | 581.2m | 592.4m | (2%) | 566.9m | 3% |
| Operating income | 148.3m | 175.3m | (15%) | 138.2m | 7% |
| Operating margin | 25.5% | 29.6% | (4.1ppt) | 24.4% | 1.1ppt |
| US GAAP diluted EPS | 0.55 | 0.70 | (21%) | 0.49 | 12% |
| Adjusted revenue | 468.9m | 477.7m | (2%) | 454.6m | 3% |
| Adjusted operating income | 180.5m | 191.4m | (6%) | 168.4m | 7% |
| Adjusted operating margin | 38.5% | 40.1% | (1.6ppt) | 37.0% | 1.5ppt |
| Adjusted diluted EPS | 0.69 | 0.74 | (7%) | 0.56 | 23% |

Note: 3Q17 numbers updated to reflect the adoption of the new revenue recognition standard, with a reconciliation shown on slide 33. See adjusted financial measures reconciliation on slides 30 and 31 for additional information.

Revenue

3Q18 adjusted revenue decreased, driven by lower performance fees

3Q18 adjusted revenue drivers

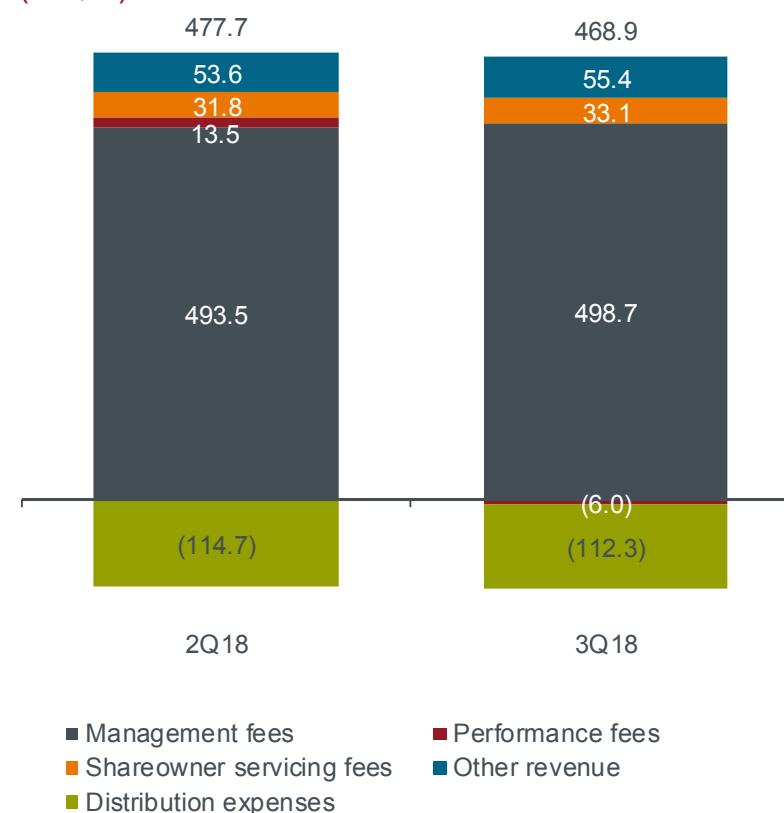
| US\$m, except margin data | 3Q18 | 2Q18 | Change |
|------------------------------------------------|----------------|----------------|-----------------|
| Total adjusted revenue | 468.9 | 477.7 | (2%) |
| Management fees | 498.7 | 493.5 | 1% |
| Performance fees | (6.0) | 13.5 | nm |
| Shareowner servicing fees | 33.1 | 31.8 | 4% |
| Other revenue | 55.4 | 53.6 | 3% |
| Distribution expenses | (112.3) | (114.7) | 2% |
| <i>Average net¹ mgmt fee margin</i> | <i>44.1bps</i> | <i>44.7bps</i> | <i>(0.6bps)</i> |

- Slight increase in management fees driven by higher average AUM
- Performance fees declined from 2Q18 driven by seasonality and a decline in mutual fund performance fees

Note: See adjusted financial measures reconciliation on slide 30 for additional information.

¹ Net margin based on management fees net of distribution expenses.

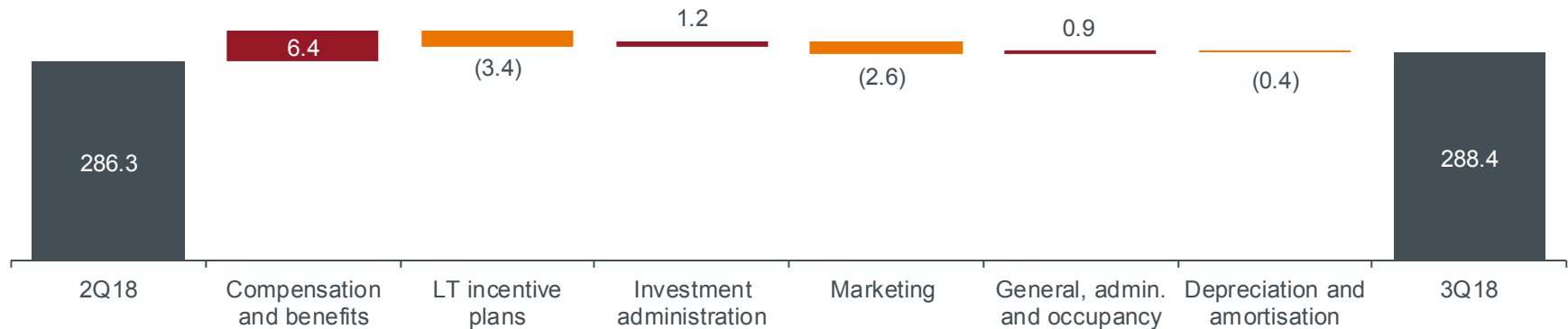
Adjusted revenue – 2Q18 vs 3Q18 (US\$m)



Operating expenses

| US\$m | 3Q18 US GAAP | Adjustments | 3Q18 adjusted | 2Q18 adjusted | Change 3Q18 adjusted vs 2Q18 adjusted |
|---------------------------------------|-----------------|----------------|------------------|------------------|---------------------------------------------|
| Employee compensation and benefits | 159.5 | (8.1) | 151.4 | 145.0 | 4% |
| Long-term incentive plans | 61.1 | (10.0) | 51.1 | 54.5 | (6%) |
| Total compensation expenses | 220.6 | (18.1) | 202.5 | 199.5 | 2% |
| Distribution expenses | 112.3 | (112.3) | – | – | nm |
| Investment administration | 12.2 | – | 12.2 | 11.0 | 11% |
| Marketing | 7.1 | – | 7.1 | 9.7 | (27%) |
| General, administrative and occupancy | 59.9 | (1.3) | 58.6 | 57.7 | 2% |
| Depreciation and amortisation | 20.8 | (12.8) | 8.0 | 8.4 | (5%) |
| Non-staff operating expenses | 212.3 | (126.4) | 85.9 | 86.8 | (1%) |
| Total operating expenses | 432.9 | (144.5) | 288.4 | 286.3 | 1% |

Adjusted operating expenses – 2Q18 vs 3Q18 (US\$m)

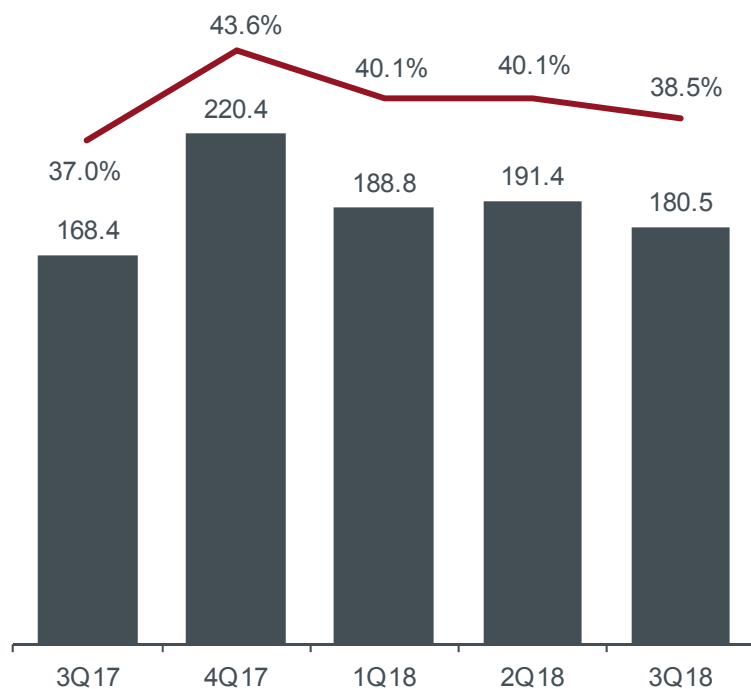


Note: See adjusted financial measures reconciliation on slide 30 for additional information.

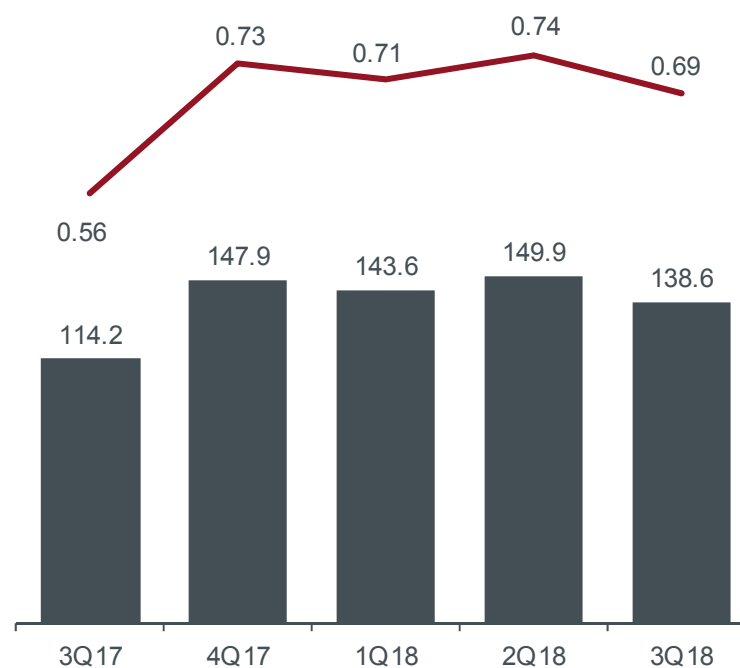
Profitability

Committed to financial discipline to support sustainable growth

Adjusted operating income and margin
(US\$m, except margin data)



Adjusted net income and diluted EPS
(US\$m, except per share data)



Note: See adjusted financial measures reconciliation on slides 30 and 31 for additional information.

Returning capital to shareholders

Delivering on the capital return plan we previously articulated

What we previously told you:

- “As we close the merger there will be a period of elevated demand for cash in the near-term to cover deal and integration costs”
- “The 2018 Convertible Notes were available for holders to convert early and we settled all conversions in cash”
- “Bonus payments in 1Q 2018 result in a seasonal drawdown on our cash balance, after which the firm will generate positive cash flow”
- “Once we begin generating excess cash, we will evaluate, and balance, the ongoing investments the business requires with external opportunities we see, including returning excess capital to shareholders”

The results:

| US\$m | 2017 | YTD 2018 |
|----------------------------------|------------|------------|
| Deal and integration costs | 172 | 32 |
| 2018 Convertible Notes repayment | 93 | 95 |
| Dividends ¹ | 256 | 277 |
| Share buyback | – | 50 |
| TOTAL | 521 | 454 |

With deal and integration costs winding down and the repayment of the convertible note complete, there are fewer demands on cash going forward

¹ Reflects an estimated US\$71m of dividends (shares receiving dividends to be determined on record date) declared by the Board on 31 October 2018 that will be paid on 30 November 2018 to shareholders of record at the close of business on 12 November 2018.

Q&A

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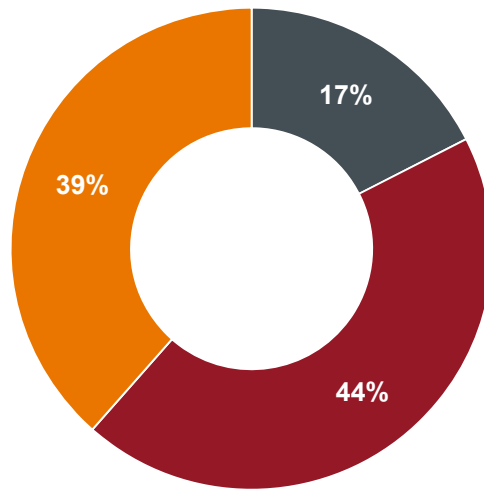
Appendix

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Assets under management as at 30 Sep 2018

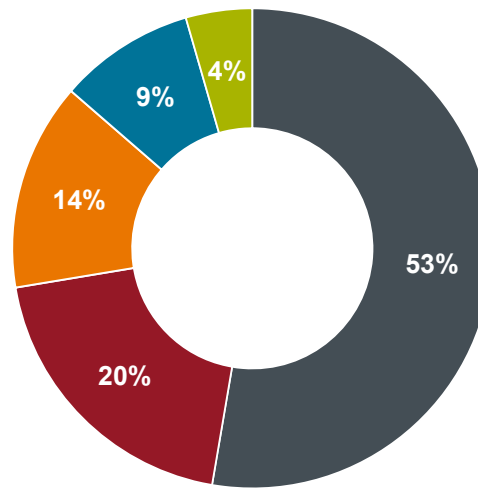
AUM: US\$378.1bn

By client type



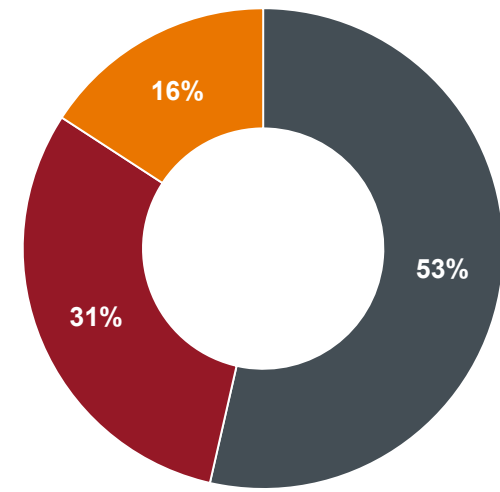
| | |
|-----------------|-------------|
| ■ Self-directed | US\$66.1bn |
| ■ Intermediary | US\$166.4bn |
| ■ Institutional | US\$145.6bn |

By capability



| | |
|-------------------------|-------------|
| ■ Equities | US\$199.2bn |
| ■ Fixed Income | US\$74.5bn |
| ■ Quantitative Equities | US\$52.9bn |
| ■ Multi-Asset | US\$34.6bn |
| ■ Alternatives | US\$16.9bn |

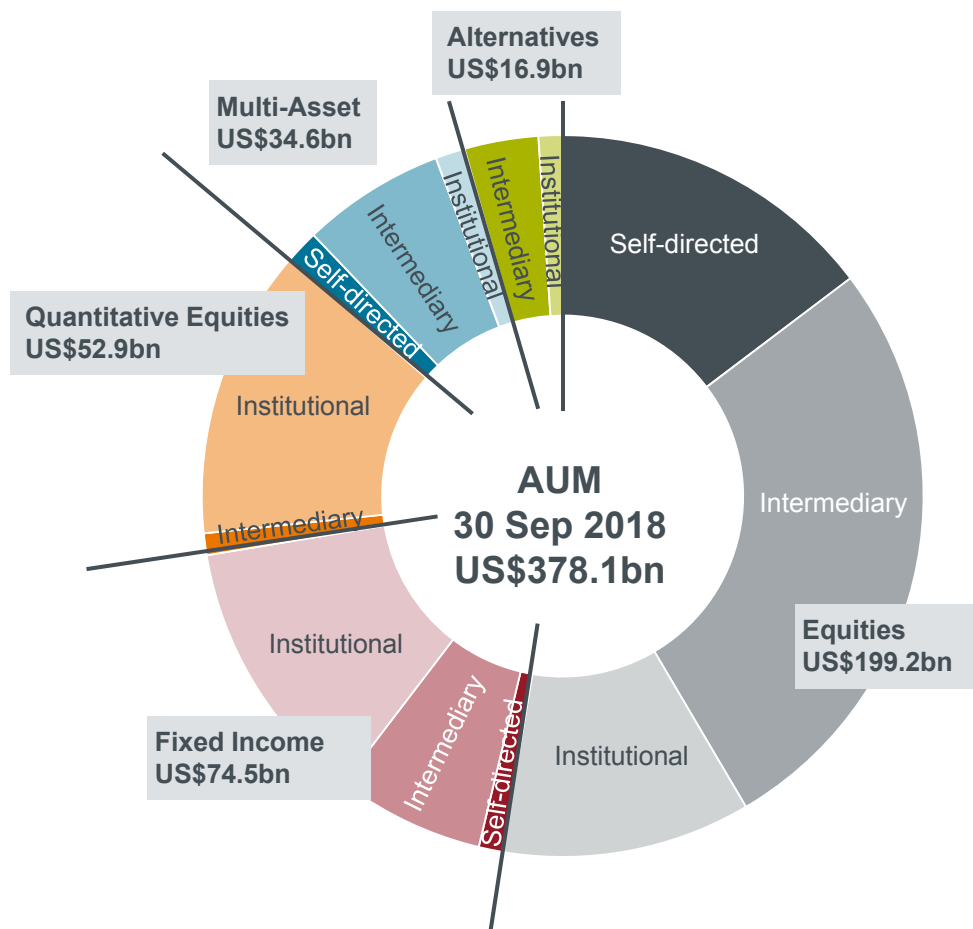
By client location



| | |
|-----------------|-------------|
| ■ North America | US\$202.5bn |
| ■ EMEA & LatAm | US\$115.8bn |
| ■ Asia Pacific | US\$59.8bn |

Investment management capabilities

Diversified product range



Equities

- Diverse business encompassing a wide range of geographic and investment styles

Fixed Income

- Coverage across the asset class, with an increasingly global offering

Quantitative Equities

- Intech applies advanced mathematical and systematic portfolio rebalancing intended to harness the volatility of stock price movements

Multi-Asset

- Retail and Institutional offering through a diversity of strategies

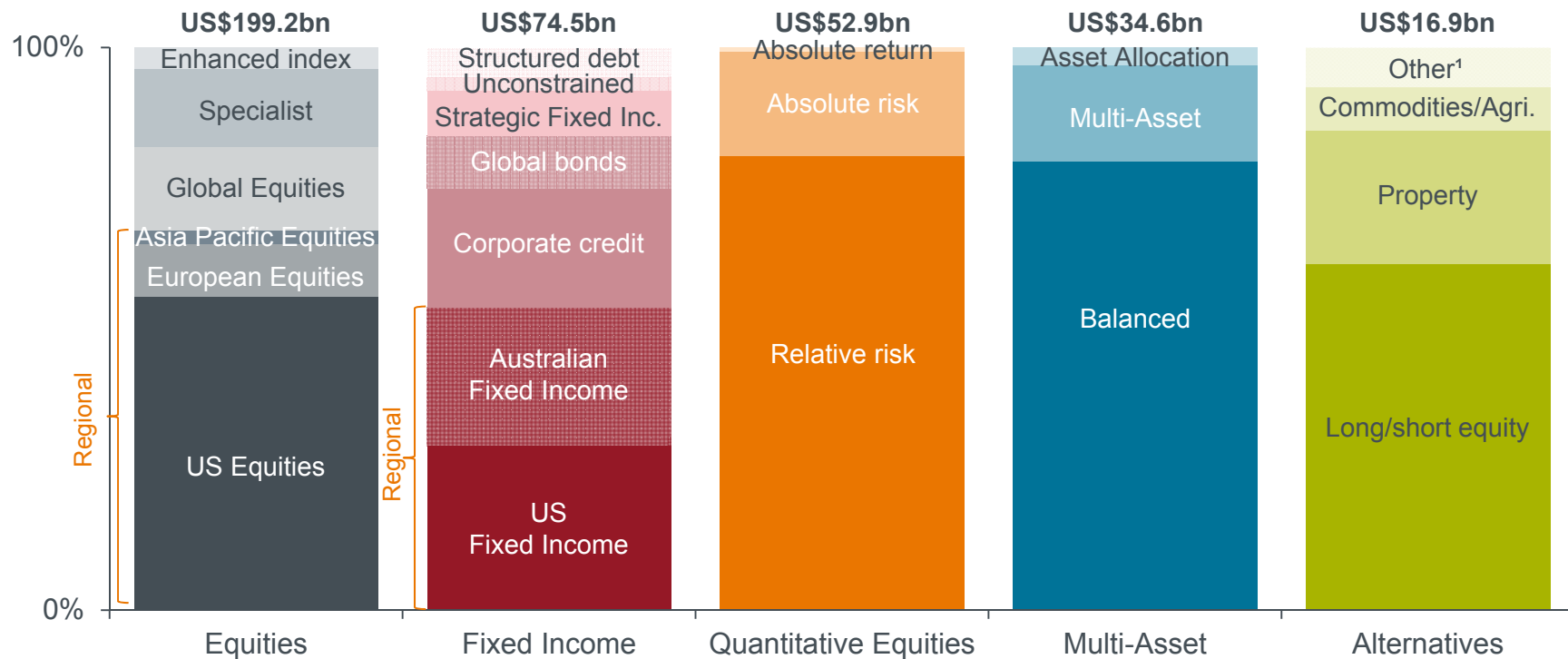
Alternatives

- Expertise in liquid alternatives alongside traditional hedge funds

Investment management capabilities

Balanced range of offerings

AUM by investment capability as at 30 Sep 2018



¹ Other primarily includes Absolute Return Bond and Multi-Strategy.

Largest pooled funds by capability

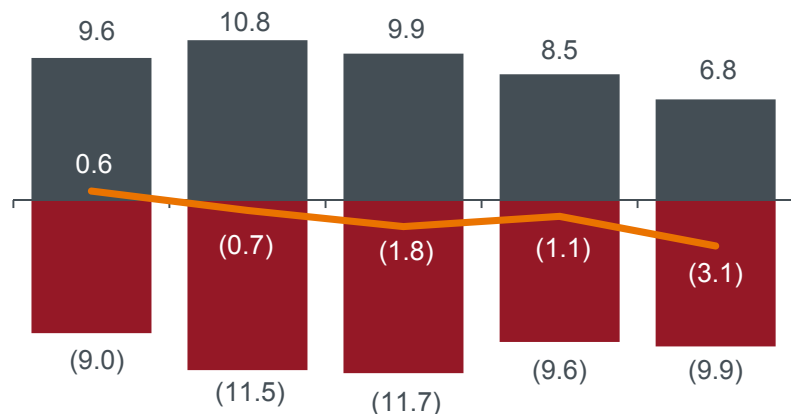
| Capability | Fund | Product | Strategy | AUM (US\$bn) 30 Sep 2018 |
|-----------------------|-------------------------------------------------|----------------|-------------------------------------|--------------------------------|
| Equity | JnsHnd Enterprise | US Mutual Fund | Mid Cap Growth | 19.4 |
| | JnsHnd Research | US Mutual Fund | US Research Growth Equity | 14.8 |
| | JnsHnd Forty | US Mutual Fund | Concentrated Growth | 13.2 |
| | JnsHnd Triton | US Mutual Fund | Small-Mid Cap Growth | 12.1 |
| | JnsHnd Growth and Income | US Mutual Fund | Growth & Income | 5.6 |
| Fixed Income | JnsHnd Flexible Bond | US Mutual Fund | Core Plus Fixed Income | 6.9 |
| | JnsHnd Absolute Return | Australian UT | Absolute Return Income | 4.5 |
| | JnsHnd Strategic Bond | UK OEIC | Global Strategic Fixed Income | 2.8 |
| | JnsHnd Tactical Income | Australian MIS | Australian Fixed Income | 2.4 |
| | JnsHnd Hzn Euro Corporate Bond | SICAV | Euro Investment Grade Credit | 1.8 |
| Quantitative Equities | JnsHnd US Mgd Volatility | US Mutual Fund | US Adaptive Volatility | 1.5 |
| | JnsHnd US Low Volatility Portfolio | US Mutual Fund | US Low Volatility | 1.1 |
| | JnsHnd Intech All World Minimum Variance Core | Dublin OEIC | All World Minimum Variance Core | 0.7 |
| | JnsHnd Global Inc Mgd Volatility | US Mutual Fund | Global Income Adaptive Volatility | 0.3 |
| | JnsHnd Intech Global All Country Low Volatility | Dublin OEIC | Global All Country Low Volatility | 0.2 |
| Multi-Asset | JnsHnd Balanced | US Mutual Fund | Balanced | 16.2 |
| | JnsHnd Balanced Portfolio | US Mutual Fund | Balanced | 4.0 |
| | JnsHnd Cautious Managed | UK OEIC | UK Income and Growth | 2.6 |
| | JnsHnd Balanced | Dublin OEIC | Balanced | 1.6 |
| | JnsHnd Multi-Manager Managed | UK OEIC | Multi Manager | 0.5 |
| Alternatives | JnsHnd UK Absolute Return | SICAV | UK Large Cap Absolute Return Equity | 5.3 |
| | JnsHnd UK Property PAIF / Feeder | UK OEIC/UT | Property | 4.0 |
| | JnsHnd UK Absolute Return | UK OEIC | UK Large Cap Absolute Return Equity | 3.3 |
| | JnsHnd Horizon Pan European Alpha | SICAV | Europe Large Cap Long/Short | 1.1 |
| | Alphagen Euro Best Ideas | Hedge Fund | Europe Large Cap Agnostic | 0.3 |
| Total | | | | 126.1 |

Note: Numbers may not cast due to rounding.

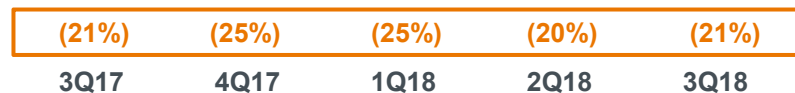
Flows: Equities and Fixed Income

Equities (US\$bn)

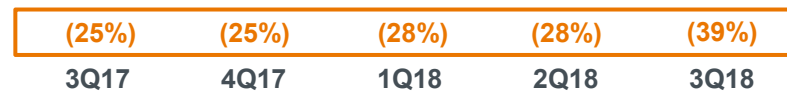
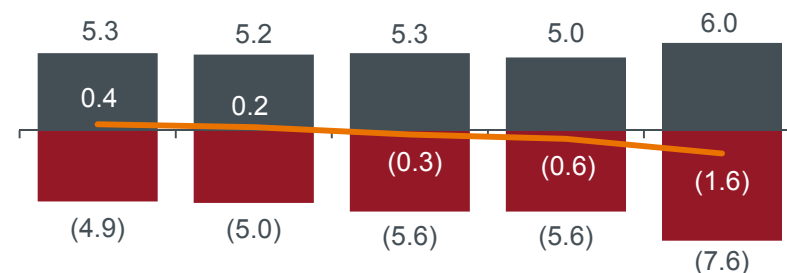
Annualised gross sales¹



Annualised gross redemptions¹



Fixed Income (US\$bn)



■ Sales ■ Redemptions — Net sales / (redemptions)

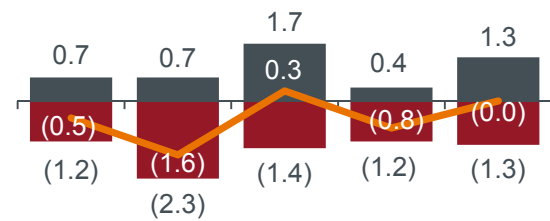
¹ Annualised gross sales and redemption rates calculated as a percentage of beginning period AUM.

Flows: Quantitative Equities, Multi-Asset and Alternatives

Quantitative Equities (US\$bn)

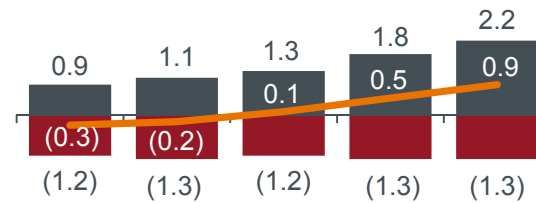
Annualised gross sales¹

6% 6% 13% 3% 10%



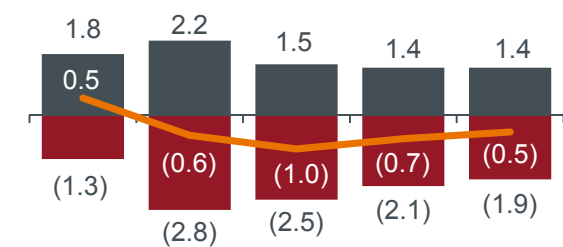
Multi-Asset (US\$bn)

13% 14% 16% 22% 27%



Alternatives (US\$bn)

38% 45% 31% 30% 31%



Annualised gross redemptions¹

(10%) (19%) (11%) (10%) (11%)

3Q17 4Q17 1Q18 2Q18 3Q18

(16%) (17%) (15%) (16%) (15%)

3Q17 4Q17 1Q18 2Q18 3Q18

(29%) (56%) (51%) (44%) (43%)

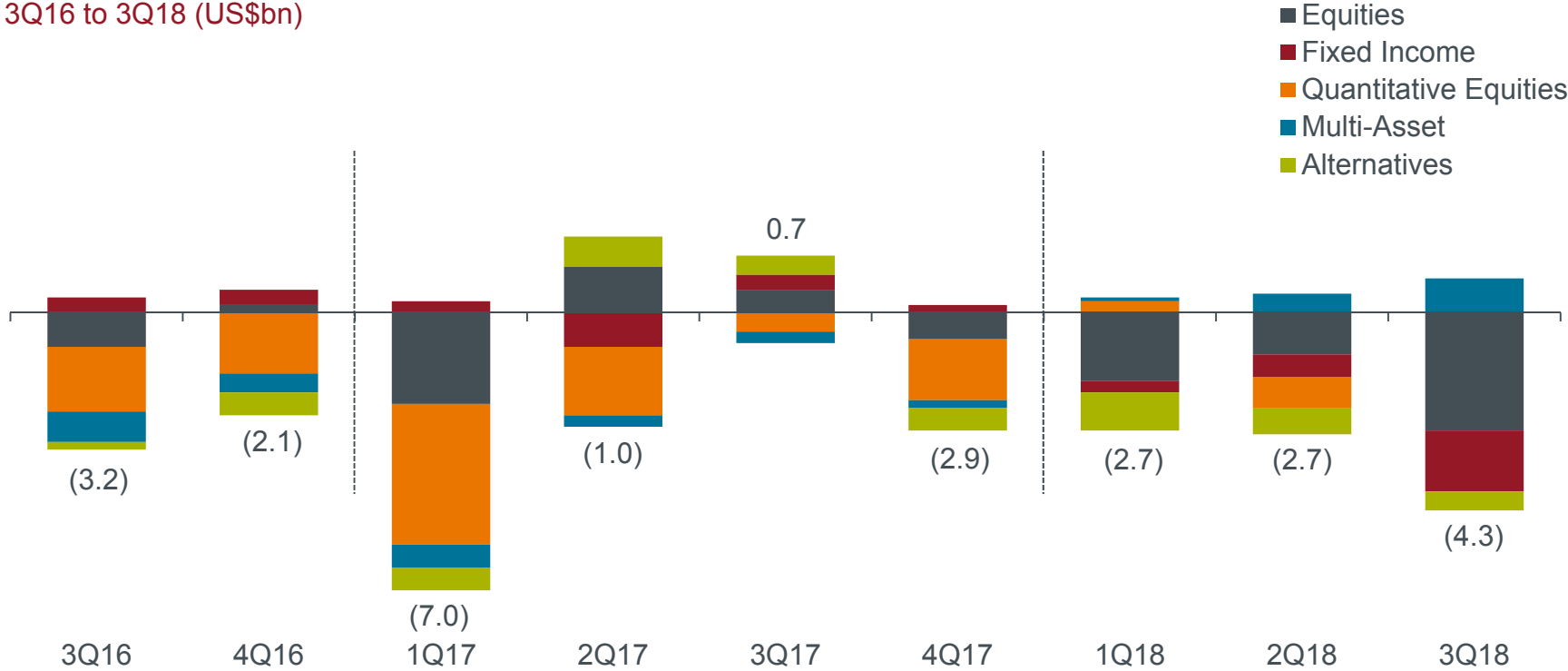
3Q17 4Q17 1Q18 2Q18 3Q18

■ Sales ■ Redemptions — Net sales / (redemptions)

¹ Annualised gross sales and redemption rates calculated as a percentage of beginning period AUM.

Total net flows by capability

Total net flows by capability
3Q16 to 3Q18 (US\$bn)



Note: Data for periods prior to and including 2Q17 presents pro forma flows of JHG as if the merger had occurred at the beginning of the period shown.

AUM and flows by capability

| All data in US\$bn | Equities | Fixed Income | Quantitative Equities | Multi-Asset | Alternatives | Total |
|---------------------------|--------------|--------------|-----------------------|-------------|--------------|--------------|
| AUM 30 Jun 2017 | 173.4 | 77.2 | 46.5 | 29.4 | 18.4 | 344.9 |
| Sales | 9.6 | 5.3 | 0.7 | 0.9 | 1.8 | 18.3 |
| Redemptions | (9.0) | (4.9) | (1.2) | (1.2) | (1.3) | (17.6) |
| Net sales / (redemptions) | 0.6 | 0.4 | (0.5) | (0.3) | 0.5 | 0.7 |
| Market / FX | 8.3 | 1.8 | 3.0 | 1.1 | 0.7 | 14.9 |
| AUM 30 Sep 2017 | 182.3 | 79.4 | 49.0 | 30.2 | 19.6 | 360.5 |
| Sales | 10.8 | 5.2 | 0.7 | 1.1 | 2.2 | 20.0 |
| Redemptions | (11.5) | (5.0) | (2.3) | (1.3) | (2.8) | (22.9) |
| Net sales / (redemptions) | (0.7) | 0.2 | (1.6) | (0.2) | (0.6) | (2.9) |
| Market / FX | 8.1 | 0.5 | 2.5 | 1.6 | 0.5 | 13.2 |
| AUM 31 Dec 2017 | 189.7 | 80.1 | 49.9 | 31.6 | 19.5 | 370.8 |
| Sales | 9.9 | 5.3 | 1.7 | 1.3 | 1.5 | 19.7 |
| Redemptions | (11.7) | (5.6) | (1.4) | (1.2) | (2.5) | (22.4) |
| Net sales / (redemptions) | (1.8) | (0.3) | 0.3 | 0.1 | (1.0) | (2.7) |
| Market / FX | 2.8 | 0.2 | 0.2 | 0.1 | 0.5 | 3.8 |
| AUM 31 Mar 2018 | 190.7 | 80.0 | 50.4 | 31.8 | 19.0 | 371.9 |
| Sales | 8.5 | 5.0 | 0.4 | 1.8 | 1.4 | 17.1 |
| Redemptions | (9.6) | (5.6) | (1.2) | (1.3) | (2.1) | (19.8) |
| Net sales / (redemptions) | (1.1) | (0.6) | (0.8) | 0.5 | (0.7) | (2.7) |
| Market / FX | 3.7 | (2.9) | 0.5 | 0.3 | (0.7) | 0.9 |
| AUM 30 Jun 2018 | 193.3 | 76.5 | 50.1 | 32.6 | 17.6 | 370.1 |
| Sales | 6.8 | 6.0 | 1.3 | 2.2 | 1.4 | 17.7 |
| Redemptions | (9.9) | (7.6) | (1.3) | (1.3) | (1.9) | (22.0) |
| Net sales / (redemptions) | (3.1) | (1.6) | (0.0) | 0.9 | (0.5) | (4.3) |
| Market / FX | 9.0 | (0.4) | 2.8 | 1.1 | (0.2) | 12.3 |
| AUM 30 Sep 2018 | 199.2 | 74.5 | 52.9 | 34.6 | 16.9 | 378.1 |

Investment performance

% of AUM outperforming benchmark

| Capability | 3Q17 | | | 4Q17 | | | 1Q18 | | | 2Q18 | | | 3Q18 | | |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr |
| Equities | 61% | 73% | 82% | 64% | 60% | 67% | 68% | 59% | 76% | 63% | 58% | 73% | 61% | 56% | 75% |
| Fixed Income | 92% | 91% | 97% | 93% | 95% | 98% | 96% | 96% | 97% | 87% | 93% | 98% | 79% | 92% | 94% |
| Quantitative Equities | 85% | 61% | 87% | 90% | 27% | 87% | 91% | 46% | 88% | 47% | 25% | 87% | 21% | 8% | 83% |
| Multi-Asset | 95% | 87% | 90% | 86% | 87% | 89% | 83% | 87% | 90% | 90% | 88% | 90% | 89% | 89% | 90% |
| Alternatives | 91% | 100% | 100% | 93% | 76% | 100% | 95% | 76% | 100% | 99% | 73% | 100% | 99% | 73% | 100% |
| Total | 75% | 77% | 87% | 76% | 66% | 79% | 79% | 68% | 84% | 69% | 64% | 82% | 63% | 60% | 81% |

Note: Outperformance is measured based on composite performance gross of fees vs primary benchmark, except where a strategy has no benchmark index or corresponding composite in which case the most relevant metric is used: (1) composite gross of fees vs zero for absolute return strategies, (2) fund net of fees vs primary index or (3) fund net of fees vs Morningstar peer group average or median. Non-discretionary and separately managed account assets are included with a corresponding composite where applicable.

Cash management vehicles, ETFs, Managed CDOs, Private Equity funds and custom non-discretionary accounts with no corresponding composite are excluded from the analysis. Excluded assets represent 3% of AUM as at 30 Sep 2017 and 31 Dec 2017 and 4% of AUM as at 31 Mar 2018, 30 Jun 2018, 30 Sep 2018. Capabilities defined by Janus Henderson.

Mutual fund investment performance

% of mutual fund AUM in top 2 Morningstar quartiles

| Capability | 3Q17 | | | 4Q17 | | | 1Q18 | | | 2Q18 | | | 3Q18 | | |
|-----------------------|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|
| | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr | 1yr | 3yr | 5yr |
| Equities | 56% | 71% | 88% | 63% | 59% | 87% | 64% | 62% | 82% | 56% | 61% | 75% | 72% | 65% | 86% |
| Fixed Income | 81% | 49% | 98% | 43% | 36% | 87% | 48% | 32% | 62% | 42% | 38% | 42% | 63% | 36% | 66% |
| Quantitative Equities | 7% | 97% | 48% | 24% | 64% | 50% | 57% | 55% | 51% | 58% | 54% | 53% | 59% | 5% | 55% |
| Multi-Asset | 83% | 81% | 83% | 82% | 83% | 84% | 84% | 82% | 83% | 92% | 83% | 83% | 86% | 88% | 88% |
| Alternatives | 38% | 25% | 32% | 59% | 25% | 32% | 53% | 53% | 53% | 92% | 25% | 25% | 54% | 26% | 53% |
| Total | 61% | 66% | 85% | 61% | 56% | 82% | 63% | 59% | 76% | 60% | 57% | 68% | 71% | 60% | 81% |

Note: Includes Janus Investment Fund, Janus Aspen Series and Clayton Street Trust (US Trusts), Janus Henderson Capital Funds (Dublin based), Dublin and UK OEIC and Investment Trusts, Luxembourg SICAVs and Australian Managed Investment Schemes. The top two Morningstar quartiles represent funds in the top half of their category based on total return. On an asset-weighted basis, 82%, 73%, 67%, 74% and 84% of total mutual fund AUM were in the top 2 Morningstar quartiles for the 10-year periods ended 30 Sep 2017, 31 Dec 2017, 31 Mar 2018, 30 Jun 2018 and 30 Sep 2018 respectively. For the 1-, 3-, 5- and 10-year periods ending 30 Sep 2018, 55%, 50%, 60% and 64% of the 214, 202, 181 and 145 total mutual funds, respectively, were in the top 2 Morningstar quartiles.

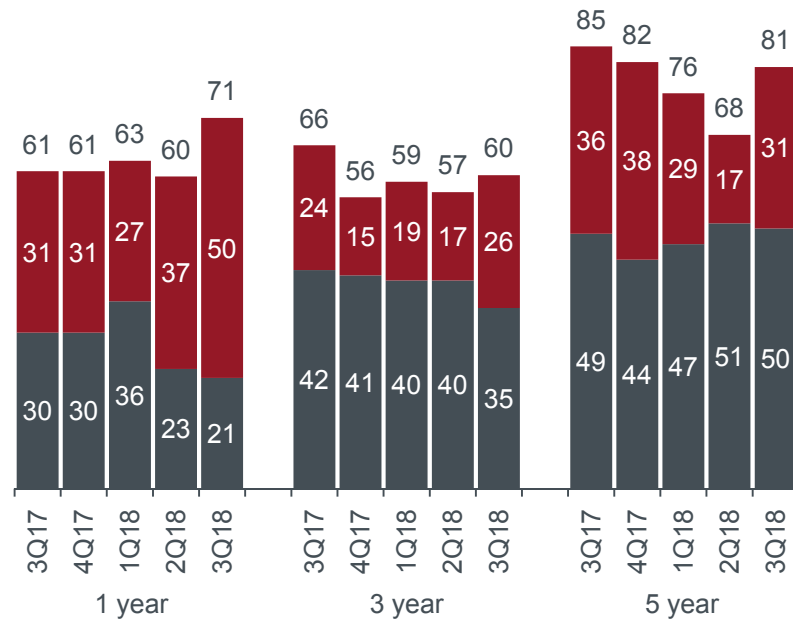
Analysis based on "primary" share class (Class I Shares, Institutional Shares or share class with longest history for US Trusts; Class A Shares or share class with longest history for Dublin based; primary share class as defined by Morningstar for other funds). Performance may vary by share class.

ETFs and funds not ranked by Morningstar are excluded from the analysis. Capabilities defined by Janus Henderson. © 2018 Morningstar, Inc. All Rights Reserved.

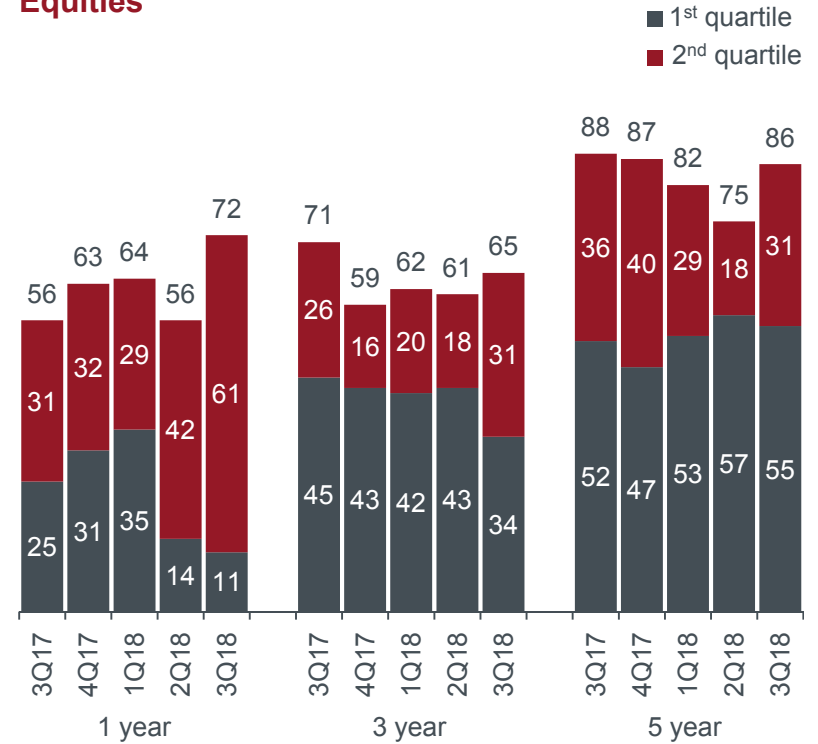
Mutual fund investment performance (cont'd)

% of mutual fund AUM in top 2 Morningstar quartiles

Group



Equities

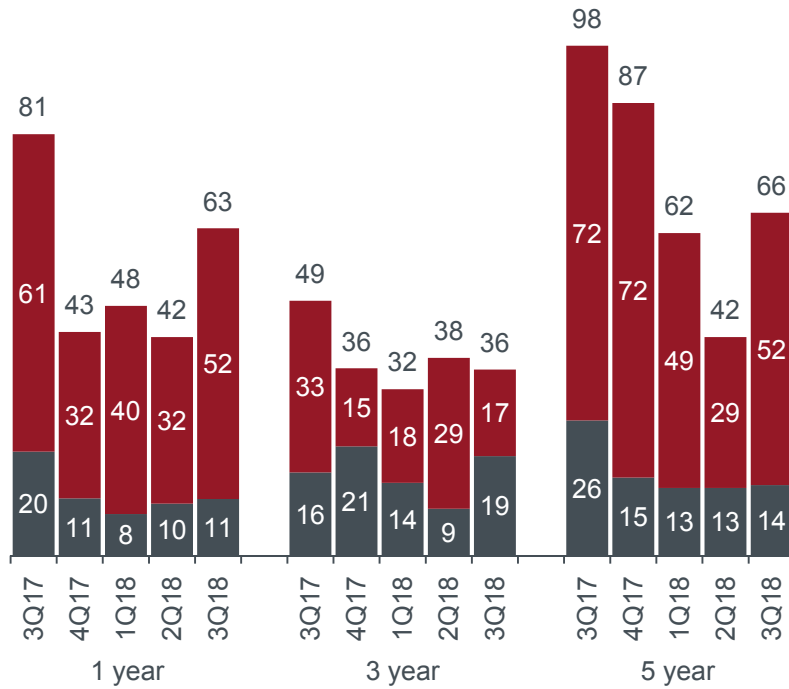


Note: Full performance disclosures detailed on slide 23.

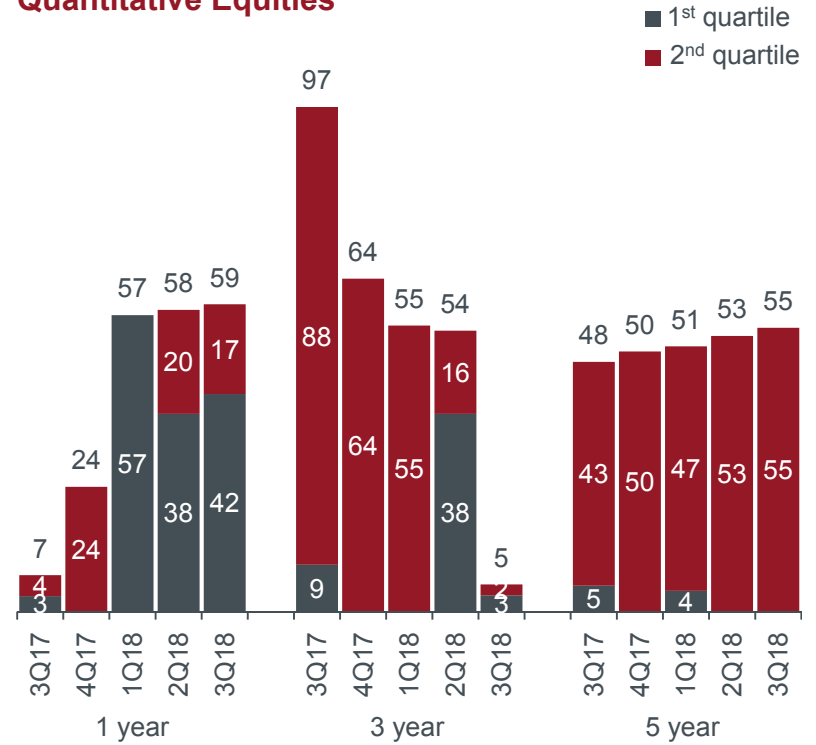
Mutual fund investment performance (cont'd)

% of mutual fund AUM in top 2 Morningstar quartiles

Fixed Income



Quantitative Equities

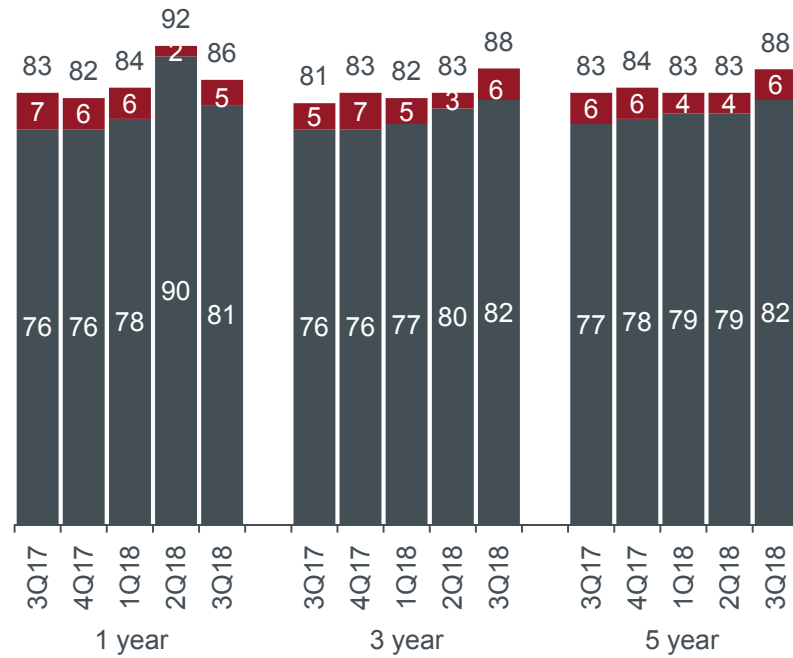


Note: Full performance disclosures detailed on slide 23.

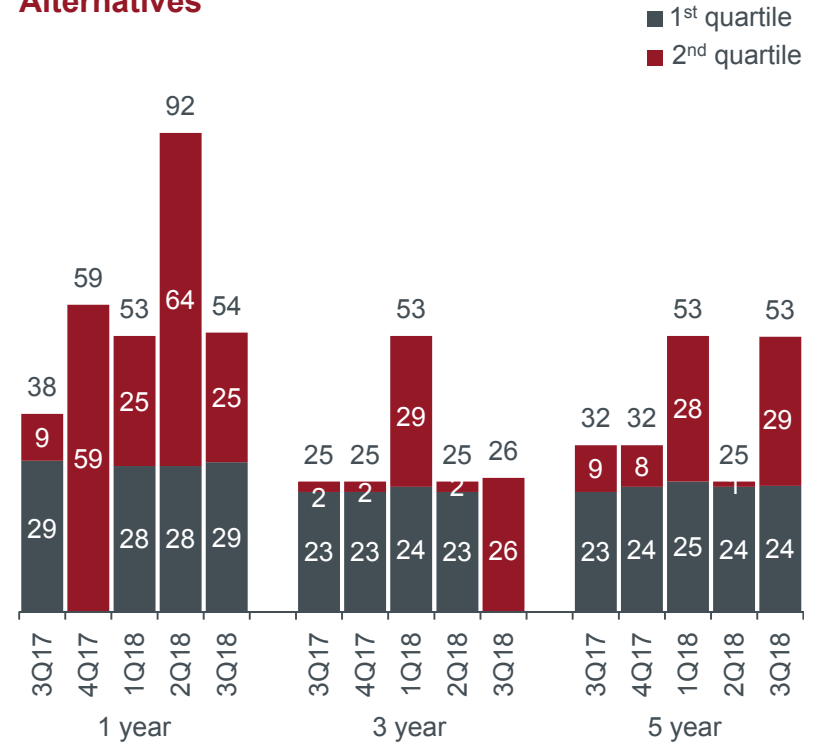
Mutual fund investment performance (cont'd)

% of mutual fund AUM in top 2 Morningstar quartiles

Multi-Asset



Alternatives



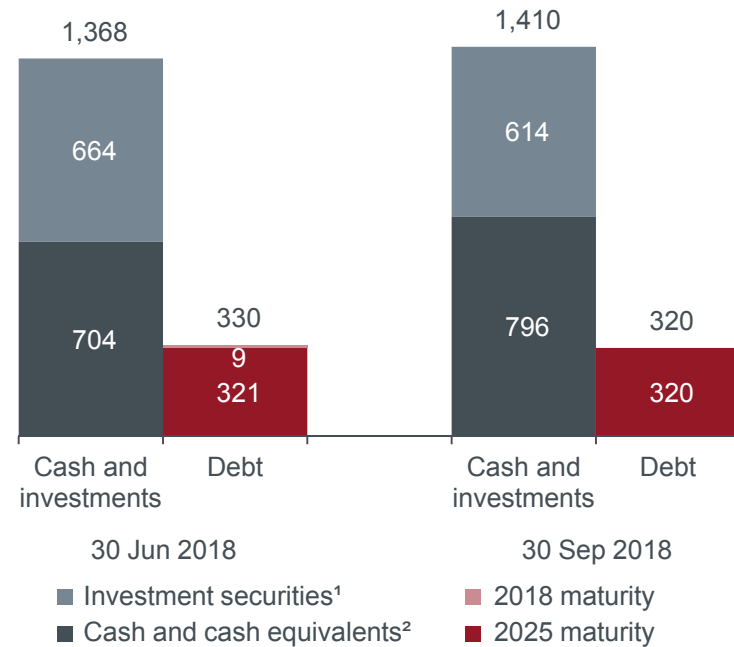
Note: Full performance disclosures detailed on slide 23.

Balance sheet

Strong liquidity position

- At 30 September 2018, cash and investment securities totalled US\$1,410m compared to outstanding debt of US\$320m
- Cash and cash equivalents increased 13%, with cash flow generation partially offset by dividend payments and stock repurchases
- Board declared a dividend of US\$0.36 per share to be paid on 30 November to shareholders on record at the close of business on 12 November
- Repurchased approximately 1.8m shares, completing 50% of the Board-authorized US\$100m buyback programme

**Balance sheet profile – carrying value
(30 Jun 2018 vs 30 Sep 2018)
(US\$m)**



¹ Includes seed investments of US\$519.8m (including investment securities of consolidated variable interest entities of US\$351.0m), investments related to deferred compensation plans of US\$138.5m and other investments of US\$6.1m as at 30 June 2018; includes seed investments of US\$481.3m (including investment securities of consolidated variable interest entities of US\$303.9m), investments related to deferred compensation plans of US\$128.9m and other investments of US\$4.0m as at 30 September 2018.

² Includes cash and cash equivalents of consolidated variable interest entities of US\$34.0m and US\$41.3m as at 30 June 2018 and 30 September 2018 respectively.

US GAAP: statement of income

| US\$m, except per share data or as noted | 3 months ended | | |
|------------------------------------------------------------------|----------------|--------------|--------------|
| | 30 Sep 2018 | 30 Jun 2018 | 30 Sep 2017 |
| Revenue | | | |
| Management fees | 498.7 | 493.5 | 481.8 |
| Performance fees | (6.0) | 13.5 | (2.1) |
| Shareowner servicing fees | 33.1 | 31.8 | 30.2 |
| Other revenue | 55.4 | 53.6 | 57.0 |
| Total revenue | 581.2 | 592.4 | 566.9 |
| Operating expenses | | | |
| Employee compensation and benefits | 159.5 | 151.0 | 176.7 |
| Long-term incentive plans | 61.1 | 55.2 | 50.9 |
| Distribution expenses | 112.3 | 114.7 | 112.3 |
| Investment administration | 12.2 | 11.7 | 11.7 |
| Marketing | 7.1 | 9.5 | 8.1 |
| General, administrative and occupancy | 59.9 | 59.2 | 54.2 |
| Depreciation and amortisation | 20.8 | 15.8 | 14.8 |
| Total operating expenses | 432.9 | 417.1 | 428.7 |
| Operating income | 148.3 | 175.3 | 138.2 |
| Interest expense | (4.0) | (3.9) | (4.7) |
| Investment gains (losses), net | (8.3) | (16.6) | 6.1 |
| Other non-operating income, net | 2.3 | 13.9 | 8.7 |
| Income before taxes | 138.3 | 168.7 | 148.3 |
| Income tax provision | (33.2) | (38.2) | (46.1) |
| Net income | 105.1 | 130.5 | 102.2 |
| Net loss (income) attributable to non-controlling interests | 6.1 | 10.1 | (2.7) |
| Net income attributable to JHG | 111.2 | 140.6 | 99.5 |
| Less: allocation of earnings to participating stock-based awards | (3.0) | (3.8) | (2.8) |
| Net income attributable to JHG common shareholders | 108.2 | 136.8 | 96.7 |
| Diluted weighted-average shares outstanding (m) | 195.9 | 196.6 | 198.2 |
| Diluted EPS (in US\$) | 0.55 | 0.70 | 0.49 |

Note: 3Q17 numbers updated to reflect the adoption of the new revenue recognition standard, with a reconciliation shown on slide 33.

Adjusted: statement of income

| US\$m, except per share data or as noted | 3 months ended | | |
|--------------------------------------------------------------------|----------------|--------------|--------------|
| | 30 Sep 2018 | 30 Jun 2018 | 30 Sep 2017 |
| Revenue | | | |
| Management fees | 498.7 | 493.5 | 481.8 |
| Performance fees | (6.0) | 13.5 | (2.1) |
| Shareowner servicing fees | 33.1 | 31.8 | 30.2 |
| Other revenue | 55.4 | 53.6 | 57.0 |
| Distribution expenses | (112.3) | (114.7) | (112.3) |
| Total adjusted revenue | 468.9 | 477.7 | 454.6 |
| Operating expenses | | | |
| Employee compensation and benefits | 151.4 | 145.0 | 161.4 |
| Long-term incentive plans | 51.1 | 54.5 | 48.1 |
| Investment administration | 12.2 | 11.0 | 11.7 |
| Marketing | 7.1 | 9.7 | 7.4 |
| General, administrative and occupancy | 58.6 | 57.7 | 49.8 |
| Depreciation and amortisation | 8.0 | 8.4 | 7.8 |
| Total adjusted operating expenses | 288.4 | 286.3 | 286.2 |
| Adjusted operating income | 180.5 | 191.4 | 168.4 |
| Interest expense | (3.2) | (3.2) | (3.4) |
| Investment gains (losses), net | (8.3) | (16.6) | 6.1 |
| Other non-operating income (expenses), net | 4.8 | 9.9 | (4.0) |
| Adjusted income before taxes | 173.8 | 181.5 | 167.1 |
| Income tax provision | (41.3) | (41.7) | (50.2) |
| Adjusted net income | 132.5 | 139.8 | 116.9 |
| Net loss (income) attributable to non-controlling interests | 6.1 | 10.1 | (2.7) |
| Adjusted net income attributable to JHG | 138.6 | 149.9 | 114.2 |
| Less: allocation of earnings to participating stock-based awards | (3.7) | (4.1) | (3.2) |
| Adjusted net income attributable to JHG common shareholders | 134.9 | 145.8 | 111.0 |
| Diluted weighted-average shares outstanding (m) | 195.9 | 196.6 | 198.2 |
| Adjusted diluted EPS (in US\$) | 0.69 | 0.74 | 0.56 |

Note: 3Q17 numbers updated to reflect the adoption of the new revenue recognition standard, with a reconciliation shown on slide 33. See adjusted financial measures reconciliation on slides 30 and 31 for additional information.

Alternative performance measures

Reconciliation of adjusted financial measures

| US\$m, except margin data | 3 months ended | | |
|------------------------------------------------------------------------|----------------|--------------|--------------|
| | 30 Sep 2018 | 30 Jun 2018 | 30 Sep 2017 |
| Reconciliation of revenue to adjusted revenue | | | |
| Revenue | 581.2 | 592.4 | 566.9 |
| Distribution expenses ¹ | (112.3) | (114.7) | (112.3) |
| Adjusted revenue | 468.9 | 477.7 | 454.6 |
| Reconciliation of operating income to adjusted operating income | | | |
| Operating income | 148.3 | 175.3 | 138.2 |
| Employee compensation and benefits ² | 8.1 | 6.0 | 15.3 |
| Long-term incentive plans ² | 10.0 | 0.7 | 2.8 |
| Investment administration ² | – | 0.7 | – |
| Marketing ² | – | (0.2) | 0.7 |
| General, administrative and occupancy ² | 1.3 | 1.5 | 4.4 |
| Depreciation and amortisation ³ | 12.8 | 7.4 | 7.0 |
| Adjusted operating income | 180.5 | 191.4 | 168.4 |
| Operating margin | 25.5% | 29.6% | 24.4% |
| Adjusted operating margin | 38.5% | 40.1% | 37.0% |

Note: 3Q17 numbers updated to reflect the adoption of the new revenue recognition standard, with a reconciliation shown on slide 33. Reconciliation to be used in conjunction with slide 31. Footnotes included on slide 32.

Alternative performance measures (cont'd)

Reconciliation of adjusted financial measures

| US\$m, except per share data | 3 months ended | | |
|---------------------------------------------------------------------------------|----------------|--------------|--------------|
| | 30 Sep 2018 | 30 Jun 2018 | 30 Sep 2017 |
| Reconciliation of net income to adjusted net income, attributable to JHG | | | |
| Net income attributable to JHG | 111.2 | 140.6 | 99.5 |
| Employee compensation and benefits ² | 8.1 | 6.0 | 15.3 |
| Long-term incentive plans ² | 10.0 | 0.7 | 2.8 |
| Investment administration ² | – | 0.7 | – |
| Marketing ² | – | (0.2) | 0.7 |
| General, administrative and occupancy ² | 1.3 | 1.5 | 4.4 |
| Depreciation and amortisation ³ | 12.8 | 7.4 | 7.0 |
| Interest expense ⁴ | 0.8 | 0.7 | 1.3 |
| Other non-operating income (expense) ⁴ | 2.5 | (4.0) | (12.7) |
| Income tax provision ⁵ | (8.1) | (3.5) | (4.1) |
| Adjusted net income attributable to JHG | 138.6 | 149.9 | 114.2 |
| Diluted earnings per share (in US\$) | 0.55 | 0.70 | 0.49 |
| Adjusted diluted earnings per share (in US\$) | 0.69 | 0.74 | 0.56 |

Note: 3Q17 numbers updated to reflect the adoption of the new revenue recognition standard, with a reconciliation shown on slide 33. Reconciliation to be used in conjunction with slide 30. Footnotes included on slide 32.

Alternative performance measures (cont'd)

Footnotes to reconciliation of adjusted financial measures

- ¹ Distribution expenses are paid to financial intermediaries for the distribution of JHG's investment products. JHG management believes that the deduction of third-party distribution, service and advisory expenses from revenue in the computation of net revenue reflects the nature of these expenses, as these costs are passed through to external parties that perform functions on behalf of, and distribute, the Group's managed AUM.
- ² Adjustments primarily represent deal and integration costs in relation to the Merger. The costs primarily represent severance costs, legal costs and consulting fees. JHG management believes these costs do not represent the ongoing operations of the Group.
- ³ Investment management contracts have been identified as a separately identifiable intangible asset arising on the acquisition of subsidiaries and businesses. Such contracts are recognised at the net present value of the expected future cash flows arising from the contracts at the date of acquisition. For segregated mandate contracts, the intangible asset is amortised on a straight-line basis over the expected life of the contracts. JHG management believes these non-cash and acquisition-related costs do not represent the ongoing operations of the Group.
- ⁴ Adjustments primarily represent fair value movements on options issued to Dai-ichi and deferred consideration costs associated with acquisitions. JHG management believes these costs do not represent the ongoing operations of the Group. The options issued to Dai-ichi expired on 3 October 2018.
- ⁵ The tax impact of the adjustments is calculated based on the US or foreign statutory tax rate as they relate to each adjustment. Certain adjustments are either not taxable or not tax-deductible.

Reconciliation: revenue recognition standard

US GAAP statement of income extract

Impact of adoption of new revenue recognition standard

| US\$m | 3 months ended | | |
|----------------------------------------------------|---------------------------------------|-------------|------------------------|
| | 30 Sep 2017 previously reported | Adjustment | 30 Sep 2017 updated |
| Revenue | | | |
| Management fees | 477.7 | 4.1 | 481.8 |
| Performance fees | (2.1) | – | (2.1) |
| Shareowner servicing fees | 30.2 | – | 30.2 |
| Other revenue | 31.6 | 25.4 | 57.0 |
| Total revenue | 537.4 | 29.5 | 566.9 |
| Distribution expenses | (82.8) | (29.5) | (112.3) |
| Total revenue, net of distribution expenses | 454.6 | – | 454.6 |

Performance fees

| | 3Q18 (US\$m) | 2Q18 (US\$m) | 3Q17 (US\$m) | AUM generating 3Q18 pfees (US\$bn) | # of funds generating 3Q18 pfees | Frequency | Timing |
|----------------------------------|-----------------|-----------------|-----------------|---------------------------------------------|-------------------------------------------|-----------------------------|------------------------------|
| SICAVs | 0.0 | 4.2 | 1.8 | 5.2 | 2 | 23 annually; 2 quarterly | 23 at June; 2 on quarters |
| Offshore Absolute Return | 1.2 | 1.5 | 1.2 | 0.1 | 1 | Quarterly / Annually | Various |
| Segregated Mandates ¹ | 3.2 | 4.4 | 2.3 | 4.4 | 5 | Quarterly / Annually | Various |
| UK OEICs & Unit Trusts | 0.0 | 4.4 | – | 3.4 | 3 | Quarterly | Various |
| Investment Trusts | 0.2 | 6.7 | 0.7 | 0.0 | 0 | Annually | Various |
| US Mutual Funds ² | (10.6) | (7.7) | (8.1) | 45.8 | 17 | Monthly | Monthly |
| Total | (6.0) | 13.5 | (2.1) | 58.9 | 28 | | |

Note: Performance fees include prior quarter accrual true-ups.

¹ Segregated Mandates includes Private Accounts (legacy Janus product categorisation), Managed CDOs and Private Equity.

² AUM data presents US Mutual Fund AUM subject to performance fees as at 30 Sep 2018. Janus Investment Funds and Janus Aspen Series Portfolios are counted as distinct and separate funds.

US mutual funds with performance fees

| Mutual funds with performance fees ¹ | AUM 30 Sep 2018 US\$m | Benchmark | Base fee | Performance fee ² | Performance cap/(floor) vs benchmark | 3Q18 P&L impact US\$'000 |
|-------------------------------------------------|-----------------------------|----------------------------------------------------|-------------|---------------------------------|--------------------------------------------|--------------------------------|
| Research Fund ³ | 14,821 | Russell 1000 [®] Growth Index | 0.64% | ± 15 bps | ± 5.00% | (3,840) |
| Forty Fund ³ and Portfolio | 14,087 | Russell 1000 [®] Growth Index | 0.64% | ± 15 bps | ± 8.50% | (2,252) |
| Mid Cap Value Fund and Portfolio | 3,841 | Russell Midcap [®] Value Index | 0.64% | ± 15 bps | ± 4.00% | (843) |
| Global Research Fund and Portfolio | 3,692 | MSCI World Index SM | 0.60% | ± 15 bps | ± 6.00% | (637) |
| Small Cap Value Fund | 3,048 | Russell 2000 [®] Value Index | 0.72% | ± 15 bps | ± 5.50% | (849) |
| Contrarian Fund | 2,720 | S&P 500 [®] Index | 0.64% | ± 15 bps | ± 7.00% | (1,056) |
| Overseas Fund and Portfolio | 2,288 | MSCI All Country World ex-U.S. Index SM | 0.64% | ± 15 bps | ± 7.00% | (817) |
| Research Portfolio ⁴ | 558 | Russell 1000 [®] Growth Index | 0.64% | ± 15 bps | ± 5.00% | (195) |
| Global Real Estate Fund | 279 | FTSE EPRA / NAREIT Global Index | 0.75% | ± 15 bps | ± 4.00% | 37 |
| Global Value Fund | 217 | MSCI World Index SM | 0.64% | ± 15 bps | ± 7.00% | (89) |
| Large Cap Value Fund | 113 | Russell 1000 [®] Value Index | 0.64% | ± 15 bps | ± 3.50% | (55) |
| Select Value Fund | 62 | Russell 3000 [®] Value Index | 0.70% | ± 15 bps | ± 5.00% | 15 |
| Asia Equity Fund | 26 | MSCI All Country Asia ex-Japan Index SM | 0.92% | ± 15 bps | ± 7.00% | 5 |
| Total | 45,753 | | | | | (10,576) |

Note: AUM data shown on a managed view. Numbers may not cast due to rounding.

¹ The funds listed have a performance-based investment advisory fee that adjusts up or down based on performance relative to a benchmark over 36-month rolling periods. Please see the funds' Statements of Additional Information for more details and benchmark information.

² Adjustment of ± 15 bps assumes constant assets and could be higher or lower depending on asset fluctuations.

³ The Janus Fund merged into the Research Fund and the Twenty Fund merged into the Forty Fund effective 1 May 2017. For two years, the investment advisory fee will be waived to the lesser of the investment advisory fee rate payable by the surviving fund, or the investment advisory fee rate that the merged fund would have paid if the merger did not occur.

⁴ Until 1 May 2020, the portion of performance for periods prior to 1 May 2017 will be compared to the Portfolio's former benchmark, the Core Growth Index (50% S&P 500[®] Index / 50% Russell 1000[®] Growth Index). Prior to 1 May 2017, the performance fee hurdle was ± 4.5% vs the Core Growth Index.

Long-term incentive compensation

Estimated future long-term incentive compensation amortisation

| US\$m | Amount remaining to expense | 2018 | 2019 | 2020 | 2021 |
|-----------------------------------------------|-----------------------------|------------|------------|-----------|-----------|
| 2015 annual grant | 6 | 6 | – | – | – |
| 2016 annual grant | 28 | 21 | 7 | – | – |
| 2017 annual grant | 62 | 38 | 18 | 6 | – |
| 2018 annual grant | 160 | 77 | 53 | 24 | 6 |
| Other ¹ | 116 | 47 | 29 | 22 | 18 |
| Total long-term incentive compensation | 372 | 189 | 107 | 52 | 24 |

Note: 2015, 2016, 2017 and 2018 annual grants generally vest over three and four years. Assumes no forfeitures in future periods. Assumes no change in future values related to market or currency, which would impact expense related to cash based awards (MFSA's and DEP funds) and social security expense upon vesting.

¹ Includes retention and recruiting awards; other subsidiary grants and social security expense. Social security expense is estimated based on amount of existing awards expected to vest in that year.

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