Section 1: 10-Q (10-Q)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

for the transition period from to

Commission File Number 001-15253

Janus Capital Group Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**43-1804048** (I.R.S. Employer Identification No.)
151 Detroit Street, Denver, Colorado (Address of principal executive offices)	**80206** (Zip Code)

(303) 333-3863
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Company was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐

Non-Accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 23, 2015, there were 187,290,420 shares of the Company's common stock, $0.01 par value per share, issued and outstanding.

PART I — FINANCIAL INFORMATION
Item 1. Financial Statements

JANUS CAPITAL GROUP INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(Dollars in Millions, Except Share Data)

	March 31, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 355.1	$ 452.5
Investment securities	334.7	344.0
Accounts receivable	139.6	130.9
Other current assets	52.5	59.8
Total current assets	881.9	987.2
Other assets:		
Property and equipment, net	29.4	31.1
Intangible assets, net	1,254.7	1,257.4
Goodwill	509.7	509.7
Other non-current assets	5.4	7.8
Total assets	$ 2,681.1	$ 2,793.2
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 8.7	$ 8.8
Accrued compensation and benefits	48.1	142.8
Current portion of long-term debt	106.8	—
Other accrued liabilities	50.8	78.0
Total current liabilities	214.4	229.6
Other liabilities:		
Long-term debt	344.5	450.5
Deferred income taxes, net	485.9	478.4
Other non-current liabilities	41.8	41.2
Total liabilities	1,086.6	1,199.7
Commitments and contingencies		
Redeemable noncontrolling interests	23.1	5.4
Equity:		
Preferred stock ($1.00 par, 10,000,000 shares authorized, none issued)	—	—
Common stock ($0.01 par, 1,000,000,000 shares authorized; 187,310,308 and 185,153,490		

shares outstanding, respectively)	1.9	1.9
Retained earnings	1,563.4	1,540.3
Accumulated other comprehensive loss, net of tax	(1.1)	(1.4)
Total JCG shareholders' equity	1,564.2	1,540.8
Noncontrolling interests	7.2	47.3
Total equity	1,571.4	1,588.1
Total liabilities, redeemable noncontrolling interests and equity	$ 2,681.1	$ 2,793.2

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS CAPITAL GROUP INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(Dollars in Millions, Except per Share Data)

	Three months ended March 31,	
	2015	**2014**
Revenues:		
Investment management fees	$ 222.6	$ 208.2
Performance fees	(2.3)	(15.9)
Shareowner servicing fees and other	42.4	37.9
Total revenue	262.7	230.2
Operating expenses:		
Employee compensation and benefits	91.4	80.5
Long-term incentive compensation	20.2	12.0
Marketing and advertising	5.7	5.0
Distribution	34.2	32.8
Depreciation and amortization	7.4	6.6
General, administrative and occupancy	27.8	26.4
Total operating expenses	186.7	163.3
Operating income	76.0	66.9
Interest expense	(7.3)	(9.4)
Investment gains (losses), net	4.4	(1.1)
Other income (expense), net	(0.1)	0.6
Income before taxes	73.0	57.0
Income tax provision	(26.8)	(25.9)
Net income	46.2	31.1
Noncontrolling interests	(1.6)	(0.6)
Net income attributable to JCG	$ 44.6	$ 30.5
Earnings per share attributable to JCG common shareholders:		
Basic	$ 0.24	$ 0.16
Diluted	$ 0.23	$ 0.16
Dividends paid per share	$ 0.08	$ 0.07
Other comprehensive income, net of tax:		
Net unrealized gain on available-for-sale securities	$ 0.3	$ 1.2
Reclassifications for items included in net income	—	(0.2)
Total other comprehensive income, net of tax	0.3	1.0
Comprehensive income	46.5	32.1
Comprehensive income attributable to noncontrolling interests	(1.6)	(0.6)
Comprehensive income attributable to JCG	$ 44.9	$ 31.5

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS CAPITAL GROUP INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Dollars in Millions)

	Three months ended March 31, 2015	Three months ended March 31, 2014
CASH FLOWS PROVIDED BY (USED FOR):		
Operating activities:		
Net income	$ 46.2	$ 31.1
Adjustments to reconcile net income to net cash used for operating activities:		
Depreciation and amortization	7.4	6.6
Deferred income taxes	32.9	29.6
Amortization of stock-based compensation	13.1	4.2
Investment (gains) losses, net	(4.4)	1.1
Amortization of debt discounts, premiums and deferred issuance costs	1.0	3.2
Payment of deferred commissions, net	(3.3)	(1.6)
Other, net	0.3	(0.1)
Changes in working capital items:		
Accounts receivable	(8.6)	(2.3)
Other current assets	(29.1)	(26.6)
Accounts payable and accrued compensation payable	(96.8)	(60.4)
Other current and non-current liabilities	(17.6)	(20.8)
Net operating activities	(58.9)	(36.0)
Investing activities:		
Purchase of property and equipment	(1.0)	(1.6)
Purchases and settlements of investment securities	(14.4)	(23.1)
Proceeds from sales, settlements and maturities of investment securities	3.3	120.3
Net investing activities	(12.1)	95.6
Financing activities:		
Purchase of noncontrolling interests	(0.1)	(1.0)
Distributions to noncontrolling interests	(0.4)	(0.3)
Proceeds from stock option exercises and employee stock purchases	6.1	1.4
Excess tax benefit from equity-based compensation	7.1	0.7
Principal payments under capital lease obligations	(0.3)	(0.2)
Repurchase of common stock	(23.5)	(11.3)
Dividends paid to JCG shareholders	(15.0)	(13.4)
Net financing activities	(26.1)	(24.1)
Cash and cash equivalents:		
Effect of foreign exchange rate changes	(0.3)	—
Net change	(97.4)	35.5
At beginning of period	452.5	344.5
At end of period	$ 355.1	$ 380.0
Supplemental cash flow information:		
Cash paid for interest	$ 0.4	$ 1.5
Cash paid for income taxes, net of refunds	$ 21.0	$ 21.9

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS CAPITAL GROUP INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

(Amounts in Millions)

	Shares	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Nonredeemable noncontrolling interests	Total equity
Balance at December 31, 2013	188.6	$ 1.9	$ 1,496.0	$ (1.1)	$ 13.7	$ 1,510.5
Net income	—	—	30.5	—	0.3	30.8
Other comprehensive income	—	—	—	1.0	—	1.0
Amortization of stock-based compensation	—	—	6.2	—	0.4	6.6
Issuance and forfeitures of restricted stock awards, net	2.6	—	—	—	—	—
Stock option exercises and employee stock purchases	0.2	—	1.4	—	—	1.4
Changes in noncontrolling interests in consolidated investment products	—	—	—	—	2.4	2.4
Distributions to noncontrolling interests	—	—	—	—	(0.2)	(0.2)
Change in fair value of redeemable noncontrolling interests	—	—	1.9	—	—	1.9
Purchase of noncontrolling interests	—	—	—	—	(0.4)	(0.4)
Repurchase of common stock	(1.0)	—	(11.3)	—	—	(11.3)
Dividends paid to JCG shareholders	—	—	(13.4)	—	—	(13.4)
Balance at March 31, 2014	190.4	$ 1.9	$ 1,511.3	$ (0.1)	$ 16.2	$ 1,529.3
Balance at December 31, 2014	185.2	$ 1.9	$ 1,540.3	$ (1.4)	$ 47.3	$ 1,588.1
Net income	—	—	44.6	—	0.3	44.9
Other comprehensive income	—	—	—	0.3	—	0.3
Amortization of stock-based compensation	—	—	8.8	—	1.0	9.8
Issuance and forfeitures of restricted stock awards, net	2.8	—	—	—	—	—
Stock option exercises and employee stock purchases	0.7	—	6.1	—	—	6.1
Tax impact of stock-based compensation	—	—	2.0	—	—	2.0
Changes in noncontrolling interests in consolidated investment products	—	—	—	—	(41.1)	(41.1)
Distributions to noncontrolling interests	—	—	—	—	(0.2)	(0.2)
Change in fair value of redeemable noncontrolling interests	—	—	0.1	—	—	0.1
Purchase of noncontrolling interests	—	—	—	—	(0.1)	(0.1)
Repurchase of common stock	(1.4)	—	(23.5)	—	—	(23.5)
Dividends paid to JCG shareholders	—	—	(15.0)	—	—	(15.0)
Balance at March 31, 2015	187.3	$ 1.9	$ 1,563.4	$ (1.1)	$ 7.2	$ 1,571.4

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS CAPITAL GROUP INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 1 — Basis of Presentation

In the opinion of Janus Capital Group Inc. (collectively, “JCG” or “the Company”) management, the accompanying interim condensed consolidated financial statements contain all adjustments necessary to fairly present the financial position, results of operations and cash flows of JCG in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All such adjustments are of a normal recurring nature. Such interim condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Events subsequent to the balance sheet date have been evaluated for inclusion in the accompanying condensed consolidated financial statements through the issuance date and the Company has determined that there were no subsequent events that require disclosure. These interim condensed consolidated financial statements should be read in conjunction with JCG’s Annual Report on Form 10-K for the year ended December 31, 2014.

The accompanying interim condensed consolidated financial statements have been prepared on a consistent basis with the accounting policies described in Note 2 to the consolidated financial statements that are presented in JCG's Annual Report on Form 10-K for the year ended December 31, 2014.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued a new revenue recognition standard. The standard's core principle is that a company will recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the standard specifies the accounting for certain costs to obtain or fulfill a contract with a customer and expands disclosure requirements for revenue recognition. The standard is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. On April 1, 2015, the FASB proposed a deferral of the effective date of the new revenue standard by one year; this proposal has not been finalized and will be subject to due process requirements, including a period for public comments. The Company is evaluating the effect of adopting this new accounting standard.

In February 2015, the FASB issued amendments to its consolidation standard that eliminate the deferral for investment funds and modify the analysis for determining if an entity is a variable interest entity ("VIE"). The amendments also include a scope exception for money market funds and change how related party interests affect the consolidation analysis of VIEs. The amended VIE analysis changes the assessment of kick-out rights and fees paid to a service provider when decision-making over an entity's most significant activities has been outsourced. Additionally, limited partnerships and similar entities will be considered VIEs under the amended standard unless limited partners hold substantive kick-out rights or participation rights. The standard is effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period. The Company is evaluating the effect of adopting this new accounting standard.

In April 2015, the FASB issued an amendment to its debt standard requiring debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with the presentation of debt discounts and premiums. The standard is effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period. At March 31, 2015, the Company had approximately $2.5 million of debt issuance costs in other current and other non-current assets on its Condensed Consolidated Balance Sheets that meet the criteria of this amendment.

Note 2 — Investment Securities

JCG's investment securities as of March 31, 2015, and December 31, 2014, are summarized as follows (in millions):

	March 31, 2015	December 31, 2014
Trading securities:		
Seeded investment products	$ 248.7	$ 258.3
Investments in advised mutual funds	4.5	4.4
Investments related to deferred compensation plans	12.4	13.0
Total trading securities	265.6	275.7
Available-for-sale securities:		
Seeded investment products	69.1	68.3
Total investment securities	$ 334.7	$ 344.0

Trading Securities

Seeded investment products classified as trading securities consisted of the following as of March 31, 2015, and December 31, 2014:

	March 31, 2015		December 31, 2014	
	Fair value (in millions)	Number of products	Fair value (in millions)	Number of products
Mutual funds advised by the Company	$ 176.0	18	$ 191.8	17
Separately managed accounts	72.7	31	66.5	31
Total seeded investment products classified as trading securities	$ 248.7		$ 258.3	

The Company recognized $5.7 million and $0.9 million of net investment gains related to trading securities still held as of March 31, 2015 and 2014, respectively.

Available-for-Sale Securities

Seeded investment products classified as available-for-sale securities consisted of the following as of March 31, 2015, and December 31, 2014:

	March 31, 2015		December 31, 2014	
	Fair value (in millions)	Number of products	Fair value (in millions)	Number of products
Mutual funds advised by the Company	$ 69.1	40	$ 68.3	40

The following is a summary of available-for-sale securities as of March 31, 2015, and December 31, 2014 (in millions):

	Cost	Gross unrealized investment		Foreign currency translation	Estimated fair value	Carrying value
		Gains	Losses			
As of March 31, 2015:						
Seeded investment products	$ 69.0	$ 0.6	$ (0.3)	$ (0.2)	$ 69.1	$ 69.1
As of December 31, 2014:						
Seeded investment products	$ 68.6	$ 0.4	$ (0.6)	$ (0.1)	$ 68.3	$ 68.3

The Company reviewed the gross unrealized losses on available-for-sale securities and determined that the losses were not other-than-temporary. No other-than-temporary impairment charges were recognized in the three months ended March 31, 2015 or 2014.

Realized gains and losses related to the disposition of seeded investment products classified as available-for-sale securities were recognized within investment gains (losses), net on JCG's Condensed Consolidated Statements of Comprehensive Income. The Company did not dispose of any seeded investment products classified as available-for-sale during the three months ended March 31, 2015. During the three months ended March 31, 2014, the Company realized losses of $0.1 million upon disposition of seeded investment products classified as available-for-sale securities.

Derivative Instruments

The Company maintains an economic hedge program that uses derivative instruments to hedge against market volatility of certain seed investments. Fluctuations in equity markets, debt markets and foreign currency markets are hedged by using index swaps, index futures and foreign currency forward contracts.

JCG was party to the following derivative instruments as of March 31, 2015, and December 31, 2014:

	March 31, 2015		December 31, 2014	
	Number of contracts	Notional value (in millions)	Number of contracts	Notional value (in millions)
Index swaps	6	$ 73.6	4	$ 56.8
Index futures	6	$ 63.8	6	$ 74.9
Foreign currency forward contracts	9	$ 5.3	7	$ 3.6

The above derivative instruments are not designated as hedges for accounting purposes. Changes in fair value of the index swaps and index futures are recognized in investment gains (losses), net on JCG's Condensed Consolidated Statements of Comprehensive Income while changes in the fair value of the foreign currency forward contracts are recognized in other income (expense), net on JCG's Condensed Consolidated Statements of Comprehensive Income.

Index swaps are subject to a master netting arrangement. The values of the individual index swap contracts, including any associated cash collateral, are combined and are included on a net basis in other current assets on JCG's Condensed Consolidated Balance Sheets. Index futures are also subject to a master netting arrangement and are presented in the same manner as the index swaps. Foreign currency forward contracts are not subject to a master netting arrangement, and as such, fair values of individual contracts are not netted and are included separately within either other current assets or other accrued liabilities on JCG's Condensed Consolidated Balance Sheets.

The Company posted $1.4 million and $1.7 million in cash collateral with the counterparty of the index futures as of March 31, 2015, and December 31, 2014, respectively. The cash collateral is included in other current assets on JCG's Condensed Consolidated Balance Sheets.

The following tables illustrate the effect of offsetting derivative instruments on JCG's Condensed Consolidated Balance Sheets as of March 31, 2015, and December 31, 2014 (in millions):

	March 31, 2015			
	Gross amounts	Gross amounts offset by derivative instruments	Gross amounts offset by cash collateral	Net amounts
Assets:				
Index swaps	$ 0.3	$ (0.1)	$ —	$ 0.2
Index futures	0.2	(0.2)	—	—
Foreign currency forward contracts	0.1	—	—	0.1
Total	$ 0.6	$ (0.3)	$ —	$ 0.3
Liabilities:				
Index swaps	$ 0.1	$ (0.1)	$ —	$ —
Index futures	0.7	(0.2)	(0.5)	—
Total	$ 0.8	$ (0.3)	$ (0.5)	$ —

	December 31, 2014			
	Gross amounts	Gross amounts offset by derivative instruments	Gross amounts offset by cash collateral	Net amounts
Assets:				
Index swaps	$ 0.3	$ —	$ —	$ 0.3
Liabilities:				
Index futures	$ 1.2	$ —	$ (1.2)	$ —

JCG recognized the following net gains on hedged seed investments and net gains (losses) on associated index futures and index swaps for the three months ended March 31, 2015 and 2014 (in millions):

	Three months ended March 31,	
	2015	2014
Gains on hedged seed investments classified as trading securities(1)	$ 4.5	$ 0.5
Gains on hedged seed investments classified as available-for-sale securities(1)	0.1	1.7
Total gain on hedged seed investments	4.6	2.2
Losses on index futures	(1.6)	(1.6)
Gains (losses) on index swaps	(1.4)	0.2
Total	$ 1.6	$ 0.8

(1) Includes entire net gain associated with hedged equity and fixed income seed investment products. Hedging activity is limited to the systematic market risk associated with equity products and the interest rate risk associated with fixed income products.

JCG recognized the following net losses on hedged seed investments denominated in a foreign currency and net gains on associated foreign currency forward contracts for the three months ended March 31, 2015 and 2014 (in millions):

	Three months ended March 31,	
	2015	2014
Foreign currency translation losses	$ (0.5)	$ (0.6)
Foreign currency forward contract gains	0.2	0.7
Total	$ (0.3)	$ 0.1

Derivative Instruments in Consolidated Seeded Investment Products

Certain of the Company's consolidated seeded investment products utilize derivative instruments to contribute to the achievement of defined investment objectives. These derivative instruments are classified within investment securities on JCG's Condensed Consolidated Balance Sheets. Gains and losses on these derivative instruments are classified within investment gains (losses), net on JCG's Condensed Consolidated Statements of Comprehensive Income. The consolidated seeded investment products posted $4.0

million and $1.8 million in cash collateral with the counterparties of the derivative instruments as of March 31, 2015, and December 31, 2014, respectively.

JCG's consolidated seeded investment products were party to the following derivative instruments as of March 31, 2015, and December 31, 2014:

	March 31, 2015		December 31, 2014	
	Number of contracts	Notional value (in millions)	Number of contracts	Notional value (in millions)
Swaps	71	$ 48.0	117	$ 65.8
Futures	45	$ 58.3	32	$ 41.5
Foreign currency forward contracts	91	$ 12.4	37	$ 2.4
Options	57	$ 0.1	29	$ 0.5

The following table illustrates the effect of offsetting derivative instruments within consolidated seeded investment products on JCG's Condensed Consolidated Balance Sheets as of March 31, 2015 (in millions):

	March 31, 2015			
	Gross amounts	Gross amounts offset by derivative instruments	Gross amounts offset by cash collateral	Net amounts
Assets:				
Swaps	$ 0.5	$ —	$ —	$ 0.5
Futures	0.4	(0.1)	—	0.3
Foreign exchange forward contracts	0.1	—	—	0.1
Total	$ 1.0	$ (0.1)	$ —	$ 0.9
Liabilities:				
Futures	$ 0.1	$ (0.1)	$ —	$ —

The following table illustrates the effect of offsetting derivative instruments within consolidated seeded investment products on JCG's Condensed Consolidated Balance Sheets as of December 31, 2014 (in millions):

	December 31, 2014			
	Gross amounts	Gross amounts offset by derivative instruments	Gross amounts offset by cash collateral	Net amounts
Assets:				
Swaps	$ 1.4	$ (0.4)	$ —	$ 1.0
Futures	0.6	(0.4)	—	0.2
Options	0.2	—	—	0.2
Total	$ 2.2	$ (0.8)	$ —	$ 1.4
Liabilities:				
Swaps	$ 0.4	$ (0.4)	$ —	$ —
Futures	0.4	(0.4)	—	—
Total	$ 0.8	$ (0.8)	$ —	$ —

Investment Gains (Losses), Net

Investment gains (losses), net on JCG's Condensed Consolidated Statements of Comprehensive Income included the following for the three months ended March 31, 2015 and 2014 (in millions):

	Three months ended March 31,	
	2015	2014
Seeded investment products	$ 5.9	$ 0.2
Noncontrolling interests in seeded investment products	1.1	0.2
Investments in advised mutual funds	0.1	(0.3)
Index swaps and index futures	(3.0)	(1.4)
Economic hedge for deferred compensation plans	0.3	0.2

Investment gains (losses), net	$ 4.4	$ (1.1)

Purchases, Sales, Settlements and Maturities

Cash flows related to investment securities for the three months ended March 31, 2015 and 2014, are summarized as follows (in millions):

	Three months ended March 31,			
	2015		2014	
	Purchases and settlements	Sales, settlements and maturities	Purchases and settlements	Sales, settlements and maturities
Trading securities	$ (10.4)	$ 2.1	$ (14.1)	$ 96.4
Available-for-sale securities	(0.3)	—	(0.1)	17.2
Derivative instruments:				
Seed capital economic hedge	(3.7)	1.2	(8.9)	6.7
Total cash flows	$ (14.4)	$ 3.3	$ (23.1)	$ 120.3

Note 3 — Fair Value Measurements

The following table presents assets, liabilities and redeemable noncontrolling interests measured or disclosed at fair value on a recurring basis as of March 31, 2015 (in millions):

	Fair value measurements using:			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Cash equivalents	$ 27.5	$ 190.7	$ —	$ 218.2
Index swaps	—	0.3	—	0.3
Index futures	0.2	—	—	0.2
Foreign currency forward contracts	—	0.1	—	0.1
Trading securities:				
Seeded investment products	177.7	70.8	0.2	248.7
Investments in advised mutual funds	4.5	—	—	4.5
Investments related to deferred compensation plans	12.4	—	—	12.4
Available-for-sale securities:				
Seeded investment products	69.1	—	—	69.1
Total investment securities	263.7	70.8	0.2	334.7
Total assets	$ 291.4	$ 261.9	$ 0.2	$ 553.5
Liabilities:				
Index swaps	$ —	$ 0.1	$ —	$ 0.1
Index futures	0.7	—	—	0.7
Current portion of long-term debt(1)	—	186.6	—	186.6
Long-term debt(1)	—	378.8	—	378.8
VelocityShares contingent consideration	—	—	18.1	18.1
Total liabilities	$ 0.7	$ 565.5	$ 18.1	$ 584.3
Redeemable noncontrolling interests:				
Consolidated seeded investment products	$ 7.0	$ 10.8	$ —	$ 17.8
INTECH	—	—	5.3	5.3
Total redeemable noncontrolling interests	$ 7.0	$ 10.8	$ 5.3	$ 23.1

(1) Carried at amortized cost and disclosed at fair value.

The following table presents assets, liabilities and redeemable noncontrolling interests measured or disclosed at fair value on a recurring basis as of December 31, 2014 (in millions):

	Fair value measurements using:			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Cash equivalents	$ 7.7	$ 292.5	$ —	$ 300.2
Index swaps	—	0.3	—	0.3
Trading securities:				
Seeded investment products	136.6	121.7	—	258.3
Investments in advised mutual funds	4.4	—	—	4.4
Investments related to deferred compensation plans	13.0	—	—	13.0
Available-for-sale securities:				
Seeded investment products	68.3	—	—	68.3
Total investment securities	222.3	121.7	—	344.0
Total assets	$ 230.0	$ 414.5	$ —	$ 644.5
Liabilities:				
Long-term debt(1)	$ —	$ 558.0	$ —	$ 558.0
VelocityShares contingent consideration	—	—	17.9	17.9
Index futures	1.2	—	—	1.2
Total liabilities	$ 1.2	$ 558.0	$ 17.9	$ 577.1
Redeemable noncontrolling interests in INTECH	$ —	$ —	$ 5.4	$ 5.4

(1) Carried at amortized cost and disclosed at fair value.

Level 1 Fair Value Measurements

JCG's Level 1 fair value measurements consist mostly of seeded investment products, investments in advised funds, investments in money market funds and investments related to deferred compensation plans with quoted market prices in active markets. The fair value level of seeded investment products classified as trading securities is determined by the underlying securities of the product. The fair value level of equity-method and unconsolidated seeded investment products are determined using the respective net asset value ("NAV") of each product. All seeded investment products that use the NAV to determine their fair value are classified as Level 1 and primarily represent seeded mutual funds where JCG's ownership level is under 50%.

Level 2 Fair Value Measurements

JCG's Level 2 fair value measurements consist mostly of cash equivalents, seeded investment products and JCG's long-term debt. Cash equivalents are short-term, highly liquid investments with an initial maturity of three months or less when purchased, and consist primarily of commercial paper and certificates of deposits. The fair value of consolidated seeded investment products where JCG's ownership level is above 50% is determined by the underlying securities of the product. The fair value of JCG's long-term debt is determined using broker quotes and recent trading activity, which are considered Level 2 inputs.

Level 3 Fair Value Measurements

JCG's Level 3 recurring fair value measurements largely represent redeemable noncontrolling interests in INTECH Investment Management LLC ("INTECH") and contingent cash consideration related to the acquisition of VS Holdings Inc., the parent company of VelocityShares, LLC ("VelocityShares").

INTECH

Redeemable noncontrolling interests in INTECH are measured at fair value on a quarterly basis or more frequently if events or circumstances indicate that a material change in the fair value of INTECH has occurred. The fair value of INTECH is determined using a relative value methodology that incorporates observable metrics from publicly traded peer companies as valuation comparables, and adjustments related to investment performance and changes in assets under management. The relative value analysis is prepared internally within JCG's finance organization by personnel with appropriate valuation experience and credentials. In preparing the analysis, JCG benchmarks valuation metrics such as multiples of earnings before interest expense, taxes, depreciation and amortization ("EBITDA") against current market observables and recent market transactions of a similar size and nature to ensure that the estimates are reasonable. The analysis is reviewed by senior JCG finance personnel and JCG's Chief Financial Officer. The analysis is also reviewed by the holders of the noncontrolling interests in INTECH. If the valuation is agreed to by both JCG and the holders of noncontrolling interests, JCG uses the analysis to value the redeemable noncontrolling interests.

Significant inputs related to the relative value analysis include INTECH's trailing 12-month operating results, performance fees, investment performance and trends in assets under management. In addition, market trading comparables from a relevant publicly traded peer set are included to complete the relative valuation process. Publicly available comparables used for the first quarter 2015 valuation analysis ranged from approximately 8.0x to 14.0x EBITDA. Significant increases or decreases in historical INTECH operating results would result in a significantly higher or lower fair value measurement, respectively. Additionally, a significant increase or decrease in market trading comparables would result in a significantly higher or lower fair value measurement, respectively. Generally, any period-over-period change in INTECH performance or level of assets under management in isolation is accompanied by a directionally similar change in the fair value measurement.

VelocityShares

Contingent cash consideration was a component of the purchase price of VelocityShares. The contingent consideration is payable on the first, second, third and fourth anniversaries of the acquisition, in amounts up to $10 million each for the first and second anniversaries, and $8 million each for the third and fourth anniversaries. The payments are contingent on certain VelocityShares' exchange-traded products reaching defined net revenue targets. The fair value of the contingent cash consideration is calculated on a quarterly basis by forecasting net exchange-traded product revenue, as defined by the purchase agreement, over the contingency period, and determining whether targets are met given forecasted VelocityShares operating results. Forecasted payments are then discounted back to the valuation date. Significant unobservable inputs used in the valuation are limited to forecasted gross revenues and certain expense items which are deducted from these revenues. Increases in forecasted net revenue would increase the fair value of the consideration, subject to payment limitations, while decreases in net revenues would decrease the fair value.

Seeded Investment Products

As of March 31,2015, trading was halted on a single security within the portfolio of a seeded investment product resulting in Level 3 classification.

Nonrecurring Level 3 Fair Value Measurements

Nonrecurring Level 3 fair value measurements include goodwill and intangible assets. JCG measures the fair value of goodwill and intangible assets using a discounted cash flow analysis that requires assumptions regarding projected future earnings and discount rates. Because of the significance of the unobservable inputs in the fair value measurements of these assets and liabilities, such measurements have been classified as Level 3.

The changes in fair value of JCG's Level 3 items, for the three months ended March 31, 2015 and 2014, are as follows (in millions):

	Three months ended March 31,			
	2015			2014
	Redeemable noncontrolling interests in INTECH	VelocityShares contingent consideration	Seeded investment products	Redeemable noncontrolling interests in INTECH
Beginning of period fair value	$ 5.4	$ 17.9	$ —	$ 7.3
Distributions	(0.2)	—	—	(0.1)
Current earnings	0.2	—	—	0.1
Purchase of redeemable noncontrolling interests in INTECH	—	—	—	(0.6)
Change in fair value	(0.1)	0.2	0.2	(1.9)
End of period fair value	$ 5.3	$ 18.1	$ 0.2	$ 4.8

Transfers Between Fair Value Levels

The underlying securities of mutual funds and separate accounts may be denominated in a foreign currency. In some cases, the closing price of such securities may be adjusted to capture the effects of any post-closing activity affecting the markets in which they trade. Security prices are adjusted based upon historical impacts for similar post-close activity. These adjustments result in the securities being classified as Level 2 and may also result in movements of securities between Level 1 and Level 2.

Additionally, the deconsolidation of a seeded investment product can cause investment securities held by the product to be removed from Level 2. Upon deconsolidation, the entire seeded investment product is valued using the NAV, rather than valued using its underlying securities. Generally, seeded investment products that use the NAV to determine their fair value are classified as Level 1. During the first quarter 2015, the Global Unconstrained Bond Fund in the Company's international trust was deconsolidated and its

$44.3 million of Level 2 assets were reclassified to Level 1.

Transfers are recognized at the end of each reporting period. Transfers from Level 1 and Level 2 classifications for the three months ended March 31, 2015 and 2014, are summarized as follows (in millions):

	March 31, 2015	March 31, 2014
Transfers from Level 1 to Level 2	$ 2.9	$ —
Transfers from Level 2 to Level 1	$ 44.3	$ —

Note 4 — Debt

Debt at March 31, 2015, and December 31, 2014, consisted of the following (in millions):

	March 31, 2015		December 31, 2014	
	Carrying value	Fair value	Carrying value	Fair value
6.700% Senior Notes due 2017	$ 344.5	$ 378.8	$ 344.5	$ 380.8
0.750% Convertible Senior Notes due 2018	106.8	186.6	106.0	177.2
Total	451.3	565.4	450.5	558.0
Less: Convertible debt	106.8	186.6	—	—
Total long-term debt	$ 344.5	$ 378.8	$ 450.5	$ 558.0

Fair Value of Debt

The fair value of debt was determined using broker quotes and any recent trading activity for each of the notes listed above, which are considered Level 2 inputs.

0.750% Convertible Senior Notes due 2018

The initial conversion rate of the 0.750% Convertible Senior Notes due 2018 (“2018 Convertible Notes”) was 92.06 shares of JCG common stock per $1,000 principal amount of the 2018 Convertible Notes, which is equivalent to an initial conversion price of approximately $10.86 per share of common stock. The initial conversion rate was most recently adjusted during the first quarter 2015 when JCG paid a quarterly cash dividend of $0.08 per share, which was greater than the quarterly dividend of $0.07 per share at the time of issuance. As a result of the quarterly cash dividend paid on February 27, 2015, the conversion rate changed to 92.34 shares of JCG common stock per $1,000 principal amount of 2018 Convertible Notes, equivalent to a conversion price of approximately $10.83 per share of common stock.

Holders of the 2018 Convertible Notes may convert the notes prior to maturity if the last reported sale price of JCG’s common stock is greater than or equal to $14.08 per share of common stock for at least 20 trading days during a period of 30 trading days. As of March 31, 2015, the 2018 Convertible Notes met the criteria for early conversion and are convertible during the second quarter 2015. The 2018 Converitble Notes conversion criteria are reassessed on a quarterly basis. Fluctuations in the price of JCG’s common stock may cause reclassification of the 2018 Convertible Notes between long-term debt and current portion of long-term debt on a quarter to quarter basis.

Convertible Note Hedge and Warrants

In connection with the 2018 Convertible Notes issuance in June 2013, JCG entered into convertible note hedge and warrant transactions which, in combination, are intended to reduce the potential for future dilution to existing shareholders by effectively increasing the initial conversion price of the 2018 Convertible Notes to JCG from $10.86 to $12.60 per share of common stock.

The initial $10.86 and $12.60 per share of common stock exercise prices of the call options and warrants, respectively, were adjusted during the first quarter 2015 when JCG paid a quarterly cash dividend of $0.08 per share. As a result of the quarterly cash dividend paid on February 27, 2015, which was greater than the quarterly dividend of $0.07 per share at the time of issuance, the exercise price of the call options changed to $10.83 per share of common stock and the exercise price of the warrants changed to $12.56 per share of common stock.

Interest Rate Adjustment Covenant

The 6.700% Senior Notes due 2017 (“2017 Senior Notes”) are subject to an interest rate adjustment covenant that provides that the interest rate payable will increase by 25 basis points for each level that the Company’s debt rating is decreased by Moody’s Investor Services Inc. (“Moody’s”) from Baa3 or by Standard and Poor’s Rating Service (“S&P”) from BBB-, up to a maximum increase of 200 basis points. If the interest rate has been adjusted upward as a result of either Moody’s or S&P decreasing its rating, then for each level of a subsequent rating increase, the interest payable will be decreased by 25 basis points, but in no event to a rate less than the interest rate payable on the date of issuance of the respective notes. The interest rate adjustment covenant will permanently terminate if the Company's debt ratings increase to Baa2 (or higher) by Moody's and BBB (or higher) by S&P, with a stable or positive outlook regardless of any subsequent decrease in the ratings by either or both rating agencies. On February 26, 2015, Moody's reaffirmed JCG's credit rating of Baa3, with a stable outlook. On March 20, 2015, S&P reaffirmed JCG's credit rating of BBB-, and revised its outlook to positive from negative.

Credit Facility

At March 31, 2015, JCG had a $200 million, unsecured, revolving credit facility ("Credit Facility") with JPMorgan Chase Bank, N.A., as administrative agent and swingline lender. The Credit Facility can be used by JCG and its subsidiaries for working capital needs and general corporate purposes. The Credit Facility bears interest on borrowings outstanding at the London Interbank Offered Rate ("LIBOR") plus a spread, which is based on JCG's credit rating. JCG is required to pay a quarterly commitment fee on any unused portion of the Credit Facility, which is also based on JCG's credit rating. Under the Credit Facility, the financing leverage ratio cannot exceed 3.00x, and the interest coverage ratio must equal or exceed 4.00x. At March 31, 2015, JCG was in compliance with all covenants, and there were no borrowings under the Credit Facility at March 31, 2015, or during the three months ended March 31, 2015. The Credit Facility has a maturity date of November 23, 2018.

Note 5 — Income Taxes

The Company's effective tax rates for the three months ended March 31, 2015 and 2014, are as follows:

	Three months ended March 31,	
	2015	2014
Effective tax rate	36.7%	45.4%

The Company's effective tax rate decreased by 8.7% for the three months ended March 31, 2015, compared to the same period in 2014. The tax impact of equity-based compensation for the three months ended March 31, 2015, is part of the Condensed Consolidated Statement of Changes in Equity, while the impact for the same period in 2014 affected the income tax provision on the Company's Condensed Consolidated Statements of Comprehensive Income.

As of March 31, 2015, JCG had $5.6 million of accrued reserves for income tax contingencies. JCG accrued additional reserves for income tax contingencies in the amount of $0.2 million during the first quarter 2015, creating a net tax expense of $0.1 million. JCG anticipates that its income tax contingency reserves will decrease by approximately $0.8 million in the next 12 months, primarily from the expiration of statutes of limitations and the resolution of audits. Accrued reserves for income tax contingencies are presented in other accrued liabilities and other non-current liabilities on JCG's Condensed Consolidated Balance Sheets.

Note 6 — Noncontrolling Interests

Noncontrolling interests in net income for the three months ended March 31, 2015 and 2014, consisted of the following (in millions):

	Three months ended March 31,	
	2015	2014
Redeemable noncontrolling interests in:		
Consolidated seeded investment products	$ 1.1	$ —
INTECH	0.2	0.1
Nonredeemable noncontrolling interests in:		
Consolidated seeded investment products	—	0.2
INTECH	0.3	0.3
Total noncontrolling interests in net income	$ 1.6	$ 0.6

Redeemable Noncontrolling Interests

As of March 31, 2015, and December 31, 2014, redeemable noncontrolling interests are summarized as follows (in millions):

	March 31, 2015	December 31, 2014

Consolidated seeded investment products	$ 17.8	$ —
INTECH founding member ownership interests	5.8	5.9
INTECH undistributed earnings	(0.5)	(0.5)
Total redeemable noncontrolling interests	$ 23.1	$ 5.4

Consolidated Seeded Investment Products

Redeemable noncontrolling interests in consolidated seeded investment products may fluctuate from period to period, and are impacted by changes in JCG's relative ownership percentage of seeded products, changes in the amount of third party investment in seeded products, and volatility in the market value of the seeded products' underlying securities. Third party redemption of investments in consolidated seeded products are redeemed from the respective product's net assets, and cannot be redeemed from the assets of other seeded products or from the assets of JCG.

The following table presents a rollforward of noncontrolling interests in consolidated seeded investment products (in millions):

	Three months ended March 31,	
	2015	2014
Beginning of period balance	$ 41.1	$ 8.8
Changes in market value	1.1	0.2
Changes in ownership	(24.4)	2.2
End of period balance	$ 17.8	$ 11.2

Changes in ownership during the three months ended March 31, 2015, represent the deconsolidation of the Global Unconstrained Bond Fund within JCG's international trust. Third party investment during the period brought JCG's ownership below 50%.

INTECH

INTECH ownership interests held by a founding member had an estimated fair value of $5.8 million and $5.9 million as of March 31, 2015, and December 31, 2014, respectively, representing approximately a 1.0% aggregate ownership of INTECH for both periods. This founding member is entitled to retain his remaining INTECH interests until his death and has the option to require JCG to purchase from him his ownership interests of INTECH at fair value.

Nonredeemable Noncontrolling Interests

At March 31, 2015, noncontrolling interests that are not subject to redemption rights included employee ownership interests in INTECH.

Nonredeemable noncontrolling interests as of March 31, 2015, and December 31, 2014, are summarized as follows (in millions):

	March 31, 2015	December 31, 2014
Nonredeemable noncontrolling interests in:		
Consolidated seeded investment products	$ —	$ 41.1
INTECH	7.2	6.2
Total nonredeemable noncontrolling interests	$ 7.2	$ 47.3

Note 7 — Long-Term Incentive Compensation

JCG granted $75.4 million in long-term incentive awards during the three months ended March 31, 2015, which generally vest and will be recognized ratably over a four-year period. The first quarter 2015 awards consisted of $51.1 million of restricted stock (2.9 million shares at a weighted-average price of $17.80 per share), $22.3 million of mutual fund share awards and $2.0 million of INTECH long-term incentive awards.

During the three months ended March 31, 2015 and 2014, JCG recognized $1.1 million and $0.5 million of long-term incentive compensation expense related to mark-to-market adjustments of mutual fund share awards and deferred compensation plans. Compensation expense associated with the INTECH appreciation rights, profit interests and phantom interests granted in October 2014 was $3.9 million for the three months ended March 31, 2015.

Note 8 — Other Income (Expense), Net

The components of other income (expense), net are as follows (in millions):

	Three months ended March 31,	
	2015	2014
Dividend income	$ 0.6	$ 0.4
Interest income	0.1	0.2
Foreign currency losses, net	(1.0)	—
Other, net	0.2	—
Total other income (expense), net	$ (0.1)	$ 0.6

Note 9 — Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss, net of tax, for the three months ended March 31, 2015 and 2014, are as follows (in millions):

	Three months ended March 31,					
	2015			2014		
	Available-for-sale securities	Foreign currency	Total	Available-for-sale securities	Foreign currency	Total
Beginning balance	$ 0.9	$ (2.3)	$ (1.4)	$ 1.2	$ (2.3)	$ (1.1)
Other comprehensive income before reclassifications	0.3	—	0.3	1.2	—	1.2
Amounts reclassified from accumulated other comprehensive loss to:						
Investment gains (losses), net	—	—	—	(0.2)	—	(0.2)
Net current period other comprehensive income	0.3	—	0.3	1.0	—	1.0
Ending balance	$ 1.2	$ (2.3)	$ (1.1)	$ 2.2	$ (2.3)	$ (0.1)

Note 10 — Earnings Per Share

The following is a summary of the earnings per share calculation for the three months ended March 31, 2015 and 2014 (in millions, except per share data):

	Three months ended March 31,	
	2015	2014
Net income attributable to JCG	$ 44.6	$ 30.5
Less: Allocation of earnings to participating restricted stock awards	1.6	1.0
Net income attributable to JCG common shareholders	$ 43.0	$ 29.5
Basic earnings per share attributable to JCG common shareholders:		
Weighted-average common shares outstanding	180.2	184.3
Basic earnings per share	$ 0.24	$ 0.16
Diluted earnings per share attributable to JCG common shareholders:		
Weighted-average common shares outstanding	180.2	184.3
Incremental common shares	8.0	0.9
Weighted-average diluted common shares outstanding	188.2	185.2
Diluted earnings per share	$ 0.23	$ 0.16

Incremental common shares include the dilutive effect of stock options, unvested nonparticipating restricted stock awards, the 2018 Convertible Notes, warrants and price-vesting units using the two-class method of calculating earnings per share.

The following stock options, unvested nonparticipating restricted stock and price-vesting units are anti-dilutive and have not been included in the weighted-average diluted shares outstanding calculation (in millions):

	Three months ended March 31,	
	2015	2014
Employee stock options	—	4.9
Unvested nonparticipating restricted stock and price-vesting units	3.0	0.5

All shares held in the JCG Employee Stock Ownership Plan are treated as outstanding for purposes of computing basic earnings per share.

Note 11 — Litigation and Other Regulatory Matters

JCG is periodically involved in various legal proceedings and other regulatory matters. Possible losses cannot be currently estimated, and as such, no accruals have been made as of March 31, 2015. Although there can be no assurances, based on information currently available, management believes that it is probable that the ultimate outcome of matters that are pending or threatened will not have a material effect on JCG's consolidated financial condition.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Report on Form 10-Q contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934 and Section 27A of the Securities Act of 1933. Such forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "plans," "may increase," "may fluctuate," "forecast" and similar expressions or future or conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts. Any statements that refer to expectations or other characterizations of future events, circumstances or results are forward-looking statements. These statements are based on the beliefs and assumptions of Company management based on information currently available to management.

Various risks, uncertainties, assumptions and factors that could cause future results to differ materially from those expressed by the forward-looking statements included in this Quarterly Report on Form 10-Q include, but are not limited to, risks, uncertainties, assumptions and factors specified in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, and this Quarterly Report on Form 10-Q included under headings such as "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and in other filings and furnishings made by the Company with the SEC from time to time. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this Quarterly Report on Form 10-Q may not occur. Many of these factors are beyond the control of the Company and its management. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this Quarterly Report on Form 10-Q. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless required by applicable law or regulation.

AVAILABLE INFORMATION

Copies of JCG's filings with the SEC can be obtained from the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information can be obtained about the operation of the Public Reference Room by calling the SEC at (800) SEC-0330. The SEC also maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov.

JCG makes available free of charge its annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K and amendments thereto as soon as reasonably practical after such filing has been made with the SEC. Reports may be obtained through the Investor Relations section of JCG's website (http://ir.janus.com) or by contacting JCG at (888) 834-2536. The contents of JCG's website are not incorporated herein for any purpose.

JCG's Officer Code of Ethics for Principal Executive Officer and Senior Financial Officers (including its Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer) (the "Officer Code"); Corporate Code of Business Conduct for all employees; corporate governance guidelines; and the charters of key committees of the Board of Directors (including the Audit, Compensation, and Nominating and Corporate Governance committees) are available on the Investor Relations section of JCG's website (http://ir.janus.com). Any future amendments to or waivers of the Officer Code will be posted to the Investor Relations section of JCG's website.

Overview

JCG provides investment management, administration, distribution and related services to financial advisors, individuals and institutional clients through mutual funds, other pooled investment vehicles, separate accounts and subadvised relationships (collectively referred to as "investment products") in both domestic and international markets. Over the last several years, JCG has expanded its business to become a more diversified manager with increased investment product offerings and distribution capabilities. JCG provides investment management competencies across a range of disciplines, including fundamental U.S. and global equities (growth and value), mathematical equities, fixed income and alternatives through its subsidiaries, Janus Capital Management LLC

(“Janus”), INTECH and Perkins Investment Management LLC (“Perkins”). These subsidiaries specialize in specific investment styles, and each has its own unique and independent perspective. JCG’s investment products are distributed through three primary channels: retail intermediary, institutional and international. Each distribution channel focuses on specific investor groups and the unique requirements of each group. As of March 31, 2015, JCG managed $189.7 billion of assets for mutual fund shareholders, clients and institutions around the globe.

VelocityShares

VelocityShares, a wholly-owned subsidiary of JCG, is a sponsor of unique exchange-traded products, including rules-based exchange-traded funds. These products are institutionally focused and offer sophisticated volatility management solutions. VelocityShares was a sponsor of $2.7 billion of assets at March 31, 2015.

Segment Considerations

Although JCG manages and distributes a wide range of investment products and services, the Company’s management directs JCG’s operations as one business, the investment management business, and thus operates in one business segment.

Revenue, Performance Fees and Assets Under Management

Revenues are generally based upon a percentage of the market value of assets under management and are calculated as a percentage of the daily average asset balance in accordance with contractual agreements. Certain investment products are also subject to performance fees, which vary based on a product’s relative performance as compared to a benchmark index and the level of assets subject to such fees. Assets under management primarily consist of domestic and international equity and fixed income securities. Accordingly, fluctuations in domestic and international financial markets, relative investment performance, sales and redemptions of investment products, and changes in the composition of assets under management are all factors that have a direct effect on JCG’s operating results.

First Quarter 2015 Summary

JCG finished first quarter 2015 with assets under management of $189.7 billion, an increase of 3.6% from the fourth quarter 2014, as a result of market appreciation and long-term net inflows. Long-term net inflows decreased from $2.0 billion in the fourth quarter 2014 to $1.1 billion in the first quarter 2015 driven by lower net sales from JCG’s fixed income strategies and higher net redemptions in JCG’s mathematical equity strategies. These decreases were partially offset by higher net sales in JCG’s growth and core equity strategies, and JCG’s global and international equity strategies.

Total revenue for JCG in the first quarter 2015 of $262.7 million increased $7.9 million, or 3.1%, from the fourth quarter 2014 as a result of higher assets under management and revenue generated from VelocityShares, partially offset by lower separate account performance fees.

While the Company remains focused on operating efficiently by managing operating expenses in relation to total revenue, the first quarter 2015 operating margin was negatively impacted by higher employee compensation compared to the fourth quarter 2014. JCG realized operating margins of 28.9% and 31.6% for first quarter 2015 and fourth quarter 2014, respectively.

Net income attributable to JCG common shareholders for the first quarter 2015 totaled $44.6 million, or $0.23 per diluted share, compared with $46.7 million, or $0.24 per diluted share, for the fourth quarter 2014. The main contributor to the decrease in net income attributable to JCG common shareholders was increased employee compensation and benefits, and higher long-term incentive compensation.

Investment Performance of Assets Under Management

Investment products are generally evaluated based on their investment performance relative to other investment products with similar disciplines and strategies or benchmark indices.

The following table is a summary of investment performance as of March 31, 2015:

	Percentage of mutual fund assets outperforming majority of Morningstar peers (1)

	1-Year	3-Year	5-Year
Complex-wide mutual fund assets	63%	69%	55%
Fundamental equity mutual fund assets	73%	68%	50%
Fixed income mutual fund assets	2%	68%	82%

	Percentage of relative return strategies outperforming respective benchmarks (2)		
	1-Year	3-Year	5-Year
Mathematical equity strategies	40%	69%	75%

	Percentage of complex-wide mutual funds with 4- or 5-star Overall Morningstar Rating™
Complex-wide mutual funds	51%

(1) References Morningstar relative performance on an asset-weighted basis.
(2) References performance of relative return strategies, net of fees.

Assets Under Management

Assets Under Management and Flows

Total Company assets under management of $189.7 billion at March 31, 2015, increased $15.6 billion, or 9.0%, from March 31, 2014, primarily as a result of net market appreciation of $18.1 billion, offset by long-term net outflows of $2.3 billion. Long-term net flows represent total Company net sales and redemptions, excluding money market assets.

The following tables present the components of JCG's assets under management for the three months ended March 31, 2015 and 2014 (in billions):

	Three months ended March 31,	
	2015	2014
Beginning of period assets	$ 183.1	$ 173.9
Long-term sales(1)		
Fundamental equity	7.4	4.6
Fixed income	3.5	2.8
Mathematical equity	1.4	1.6
Long-term redemptions(1)		
Fundamental equity	(5.8)	(6.9)
Fixed income	(2.7)	(1.8)
Mathematical equity	(2.7)	(1.8)
Long-term net flows(1)		
Fundamental equity	1.6	(2.3)
Fixed income	0.8	1.0
Mathematical equity	(1.3)	(0.2)
Total long-term net flows	1.1	(1.5)
Net money market flows	(0.1)	—
Market/fund performance	5.6	1.7
End of period assets(2)	$ 189.7	$ 174.1

(1) Excludes money market flows. Sales and redemptions of money market funds are presented net on a separate line due to the short-term nature of the investments.

(2) Does not include $2.7 billion of assets sponsored by VelocityShares at March 31, 2015, as VelocityShares is not the named advisor or subadvisor to its branded products.

	Three months ended March 31,	
	2015	2014
Average assets under management:(1)		
Fundamental equity	$ 98.7	$ 94.7
Fixed income	35.0	29.5

Mathematical equity	51.0	47.4
Money market	1.3	1.4
Total	$ 186.0	$ 173.0

(1) Does not include assets sponsored by VelocityShares at March 31, 2015, as VelocityShares is not the named advisor or subadvisor to its branded products.

Assets and Flows by Investment Discipline

JCG, through its subsidiaries, offers investment products based on a diversified set of investment disciplines. Janus offers growth and core equity, global and international equity as well as balanced, fixed income and retail money market investment products. INTECH offers mathematical-based investment products, and Perkins offers value-disciplined investment products. Assets and flows by investment discipline are as follows (in billions):

	Three months ended March 31,	
	2015	2014
Growth/Core (1)		
Beginning of period assets	$ 63.9	$ 60.8
Sales	3.9	2.6
Redemptions	(3.0)	(3.2)
Net sales (redemptions)	0.9	(0.6)
Market/fund performance	2.5	—
End of period assets	$ 67.3	$ 60.2
Global/International		
Beginning of period assets	$ 20.3	$ 19.3
Sales	2.7	1.4
Redemptions	(1.4)	(1.3)
Net sales	1.3	0.1
Market/fund performance	1.2	—
End of period assets	$ 22.8	$ 19.4
Mathematical Equity		
Beginning of period assets	$ 51.0	$ 47.6
Sales	1.4	1.6
Redemptions	(2.7)	(1.8)
Net redemptions	(1.3)	(0.2)
Market/fund performance	1.4	0.8
End of period assets	$ 51.1	$ 48.2
Fixed Income (1)		
Beginning of period assets	$ 34.4	$ 28.9
Sales	3.5	2.8
Redemptions	(2.7)	(1.8)
Net sales	0.8	1.0
Market/fund performance	0.5	0.6
End of period assets	$ 35.7	$ 30.5
Value		
Beginning of period assets	$ 12.2	$ 15.9
Sales	0.8	0.6
Redemptions	(1.4)	(2.4)
Net redemptions	(0.6)	(1.8)
Market/fund performance	—	0.3
End of period assets	$ 11.6	$ 14.4
Money Market		
Beginning of period assets	$ 1.3	$ 1.4
Sales	0.1	0.2

Redemptions	(0.2)	(0.2)
Net redemptions	(0.1)	—
Market/fund performance	—	—
End of period assets	$ 1.2	$ 1.4

(1) Growth/core and fixed income assets reflect an even split of the Janus Balanced Fund between the two categories.

VelocityShares

VelocityShares was a sponsor of $2.7 billion and $2.4 billion in assets as of March 31, 2015, and December 31, 2014, respectively. VelocityShares assets are not included in JCG-wide assets under management as VelocityShares is not the named advisor or subadvisor to its branded products.

Valuation

The fair value of assets under management is derived from the cash and investment securities underlying JCG's investment products. Investment security values are determined using unadjusted or adjusted quoted market prices and independent third-party price quotes in active markets. JCG uses adjusted market prices to value certain international equity securities in its domestic and non-domestic mutual funds to adjust for stale pricing that may occur between the close of certain foreign exchanges and the New York Stock Exchange. Security prices are adjusted based upon historical impacts for similar post-close activity. For fixed income securities with maturities of 60 days or less, the amortized cost method is used to determine the value. Securities for which market prices are not readily available or are considered unreliable are internally valued using appropriate methodologies for each security type or by engaging third-party specialists. The fair value of the vast majority of the equity securities underlying JCG's investment products is derived from readily available and reliable market price quotations while the fair value of a majority of the fixed income securities is derived from evaluated pricing from independent third-party providers.

The pricing policies for mutual funds advised by JCG's subsidiaries (the "Funds") are established by the Funds' Independent Board of Trustees and are designed to test and validate fair value measurements. Responsibility for pricing securities held within separate and subadvised accounts may be delegated by the separate or subadvised clients to JCG or another party. JCG validates pricing received from third-party providers by comparing pricing between primary and secondary vendors. Any discrepancies are identified and resolved.

JCG performs a number of procedures to validate the pricing received from third-party providers. For actively traded equity securities, prices are received daily from both a primary and secondary vendor. For fixed income securities, prices are received daily from a primary vendor and weekly from a secondary vendor. Prices from the primary and secondary vendors are compared to identify any discrepancies. In the event of a discrepancy, a price challenge may be issued to both vendors. Securities with significant price changes require additional research, which may include a review of all news pertaining to the issue and issuer and any corporate actions. All fixed income prices are reviewed by JCG's fixed income trading desk to incorporate market activity information available to JCG's traders. In the event the traders have received price indications from market makers for a particular issue, this information is transmitted to the pricing vendors.

All pricing vendors are subject to an annual on-site due diligence review that includes a detailed discussion about the methodologies used, particularly for evaluated prices, and any changes to the methodologies.

JCG is generally not the pricing agent for securities held within separate and subadvised accounts. However, JCG does perform a daily reconciliation between the pricing performed by the pricing agent and the pricing applied based on JCG's procedures. Any pricing discrepancies are resolved with the client designated pricing agent.

Results of Operations

Revenues

	Three months ended March 31,		Percentage change
	2015	2014	
Revenues (in millions):			
Investment management fees	$ 222.6	$ 208.2	6.9%
Performance fees	(2.3)	(15.9)	85.5%
Shareowner servicing fees and other	42.4	37.9	11.9%

Total revenues	$ 262.7	$ 230.2	14.1%

Investment Management Fees

Investment management fees increased $14.4 million, or 6.9%, primarily as a result of the 7.5% increase in average assets under management driven by market appreciation. Revenue increased at a lower rate than average assets primarily due to a net product mix shift toward lower yielding products and channels.

Performance Fees

Performance fee revenue is derived from certain mutual funds and separate accounts. Performance fee revenue consisted of the following for the three months ended March 31, 2015 and 2014 (in millions):

	Three months ended March 31,	
	2015	2014
Mutual fund performance fees	$ (8.7)	$ (17.9)
Separate account performance fees	6.4	2.0
Total performance fees	$ (2.3)	$ (15.9)

Negative mutual fund performance fees were driven by underperformance of certain mutual funds against their respective benchmarks. Negative mutual fund performance fees improved $9.2 million, or 51.4%, primarily as a result of improved investment performance and the roll-off of historical underperformance of certain mutual funds against their respective benchmarks. Separate account performance fees relate largely to assets managed by INTECH. Separate account performance fees are recognized on a quarterly or annual basis. The fourth quarter has the largest concentration of annual fees followed by the first quarter, and recognition of the annual fees can cause meaningful fluctuations on a quarterly basis.

A summary of mutual fund and separate account assets subject to performance fees as of March 31, 2015 and 2014, is as follows (in billions):

	March 31,	
	2015	2014
Mutual fund assets	$ 49.0	$ 51.6
Separate account assets	$ 17.5	$ 15.1

Shareowner Servicing Fees and Other

Shareowner servicing fees and other increased $4.5 million, or 11.9%, primarily due to VelocityShares revenue. VelocityShares revenue was $3.7 million during the three months ended March 31, 2015.

Operating Expenses

	Three months ended March 31,		Percentage change
	2015	2014	
Operating expenses (in millions):			
Employee compensation and benefits	$ 91.4	$ 80.5	13.5%
Long-term incentive compensation	20.2	12.0	68.3%
Marketing and advertising	5.7	5.0	14.0%
Distribution	34.2	32.8	4.3%
Depreciation and amortization	7.4	6.6	12.1%
General, administrative and occupancy	27.8	26.4	5.3%
Total operating expenses	$ 186.7	$ 163.3	14.3%

Employee Compensation and Benefits

Employee compensation and benefits increased $10.9 million, or 13.5%, principally due to higher incentive compensation as a result of higher operating income. The company-wide incentive compensation plan is designed to link variable compensation to operating income.

Long-Term Incentive Compensation

Long-term incentive compensation increased $8.2 million, or 68.3%, primarily due to a $6.5 million increase in senior profits interests ("SPI") awards expense, an increase of $4.9 million of expense from new awards granted during 2015, and a $2.8 million decrease from the vesting of awards granted in previous years.

The SPI awards expense increase of $6.5 million included the recognition of $4.1 million in SPI awards expense on INTECH awards that were granted in the fourth quarter 2014. Also contributing to the increase was a $2.4 million benefit in the first quarter 2014 associated with the decline in value of certain SPI awards, with no such adjustment in the first quarter 2015.

JCG generally grants long-term incentive awards in January of each year. The 2015 annual grant totaled $75.2 million and will generally be recognized ratably over a four-year period. The 2015 annual grant is not subject to performance-based accelerated vesting. Long-term incentive compensation expense for the year ended December 31, 2015, is currently expected to be approximately $75 million to $80 million.

Non-Operating Income and Expenses

	Three months ended March 31,		Percentage change
	2015	2014	
Non-operating income and expenses (in millions):			
Interest expense	$ (7.3)	$ (9.4)	(22.3)%
Investment gains (losses), net	4.4	(1.1)	*n/m*
Other income (expense), net	(0.1)	0.6	*n/m*
Income tax provision	(26.8)	(25.9)	3.5%
Noncontrolling interests in net income	(1.6)	(0.6)	*n/m*

n/m — Not meaningful

Interest Expense

Interest expense decreased $2.1 million, or 22.3%, primarily as a result of the repayment of $98.9 million of debt during 2014, including the 6.119% Senior Notes due 2014 that matured on April 15, 2014, and the 3.250% Convertible Senior Notes due 2014 that matured on July 15, 2014.

Investment Gains (Losses), Net

The components of investment gains (losses), net for the three months ended March 31, 2015 and 2014, are as follows (in millions):

	Three months ended March 31,	
	2015	2014
Seeded investment products	$ 5.9	$ 0.2
Noncontrolling interests in seeded investment products	1.1	0.2
Investments in advised mutual funds	0.1	(0.3)
Index swaps and index futures	(3.0)	(1.4)
Economic hedge for deferred compensation plans	0.3	0.2
Investment gains (losses), net	$ 4.4	$ (1.1)

Income Tax Provision

JCG's effective tax rate was 36.7% and 45.4% for the three months ended March 31, 2015 and 2014, respectively. The decrease in effective tax rate was due largely to the expiration and vesting of certain equity-based compensation awards. The tax impact of equity-based compensation for the three months ended March 31, 2015, is part of the Condensed Consolidated Statement of Changes in Equity, while the impact for the same period in 2014 affected the income tax provision on the Company's Condensed Consolidated Statements of Comprehensive Income.

Noncontrolling Interests in Net Income

Noncontrolling interests in net income increased from $0.6 million in the first quarter 2014 to $1.6 million in the first quarter 2015 primarily due to $1.1 million of gains in the first quarter 2015 associated with redeemable noncontrolling interests in consolidated investment products.

LIQUIDITY AND CAPITAL RESOURCES

Short-Term Liquidity and Capital Resources

The following table summarizes key balance sheet data relating to JCG's liquidity and capital resources as of March 31, 2015, and December 31, 2014 (in millions):

	March 31, 2015	December 31, 2014
Cash and cash equivalents:		
Cash and cash equivalents held domestically	$ 296.9	$ 392.3
Cash and cash equivalents held outside the United States (1)	58.2	60.2
Total cash and cash equivalents	$ 355.1	$ 452.5
Accounts receivable	$ 139.6	$ 130.9
Investment securities:		
Seeded investment products	$ 300.0	$ 285.5
Noncontrolling interests (2)	17.8	41.1
Investments in advised mutual funds and the economic hedging of deferred compensation plans	16.9	17.4
Total investment securities	$ 334.7	$ 344.0
Long-term debt (including current portion)	$ 451.3	$ 450.5

(1) As of March 31, 2015, and December 31, 2014, cash held outside of the United States may not be entirely available for general corporate purposes due to approximately $26 million and $24 million of capital requirements associated with foreign subsidiaries of JCG, respectively.

(2) The noncontrolling interests balance is associated with seeded investment products.

Cash and cash equivalents consist primarily of cash on hand and short-term investments with an initial maturity of three months or less when purchased, including investments in money market funds. JCG believes that existing cash and cash from operations should be sufficient to satisfy its short-term capital requirements. Expected short-term uses of cash include ordinary operating expenditures, seed capital investments, dividend payments, income tax payments, common share repurchases, and interest payments on outstanding debt. JCG may use available cash for general corporate purposes and acquisitions. In addition, JCG may repurchase its outstanding debt securities in open market transactions, privately negotiated transactions, exchanges, tender offers or otherwise. Any repurchase of outstanding debt securities and common stock will depend on prevailing market conditions, JCG's liquidity requirements, contractual and legal restrictions, and other factors.

Common Stock Repurchases

Common stock repurchases during the three months ended March 31, 2015 and 2014, were as follows:

	Three months ended March 31, 2015	Three months ended March 31, 2014
Total cost	$ 23.5 million	$ 11.3 million
Shares repurchased	1,386,747	1,032,899
Average price per share	$ 16.93	$ 10.98

Dividends

Dividends paid during the three months ended March 31, 2015, are summarized as follows:

Dividend per share	Date declared	Date paid
$ 0.08	January 15	February 27

On April 16, 2015, JCG's Board of Directors approved an increase of $0.01 per share, or 13%, in the Company's regular quarterly dividend. The approved quarterly rate of $0.09 per share represents an expected annualized dividend rate of $0.36 per share of common stock. Also on April 16, 2015, JCG's Board of Directors declared a regular quarterly cash dividend of $0.09 per share. The quarterly dividend will be paid on May 22, 2015, to shareholders of record at the close of business on May 8, 2015.

The payment of cash dividends is within the discretion of JCG's Board of Directors and depends on many factors, including, but not limited to, JCG's results of operations, financial condition, capital requirements, restrictions imposed by financing agreements, general business conditions and legal requirements.

Long-Term Liquidity and Capital Resources

Expected long-term commitments at March 31, 2015, include principal and interest payments related to the 2017 Senior Notes and the 2018 Convertible Notes, capital and operating lease payments, redeemable noncontrolling interests, Perkins and INTECH SPI awards, INTECH appreciation rights and phantom interests, and contingent consideration related to the acquisition of VelocityShares. JCG expects to fund its long-term commitments using existing cash and cash generated from operations, refinancing debt or accessing capital and credit markets as necessary.

Other Sources of Liquidity

At March 31, 2015, JCG had a $200 million, unsecured, revolving Credit Facility with JPMorgan Chase Bank, N.A., as administrative agent and swingline lender. The Credit Facility can be used by JCG and its subsidiaries for working capital needs and general corporate purposes. The Credit Facility bears interest on borrowings outstanding at LIBOR plus a spread, which is based on JCG's credit rating. JCG is required to pay a quarterly commitment fee on any unused portion of the Credit Facility, which is also based on JCG's credit rating. The Credit Facility has a maturity date of November 23, 2018.

The Credit Facility contains financial covenants with respect to leverage and interest coverage. The financing leverage ratio cannot exceed 3.00x, and the interest coverage ratio must equal or exceed 4.00x. At March 31, 2015, JCG's financing leverage ratio was 1.19x and the interest coverage ratio was 14.09x. JCG was in compliance with all covenants, and there were no borrowings under the Credit Facility at March 31, 2015, or during the three months ended March 31, 2015.

Cash Flows

A summary of cash flow data for the three months ended March 31, 2015 and 2014, is as follows (in millions):

	Three months ended March 31, 2015	Three months ended March 31, 2014
Cash flows provided by (used for):		
Operating activities	$ (58.9)	$ (36.0)
Investing activities	(12.1)	95.6
Financing activities	(26.1)	(24.1)
Effect of exchange rate changes on cash and cash equivalents	(0.3)	—
Net change in cash and cash equivalents	(97.4)	35.5
Cash balance at beginning of period	452.5	344.5
Cash balance at end of period	$ 355.1	$ 380.0

Operating Activities

Fluctuations in operating cash flows are attributable to changes in net income and working capital items, which can vary from period to period based on the amount and timing of cash receipts and payments.

Investing Activities

Cash provided by (used for) investing activities for the three months ended March 31, 2015 and 2014, is as follows (in millions):

	Three months ended March 31, 2015	Three months ended March 31, 2014
Purchase of property and equipment	$ (1.0)	$ (1.6)
Purchases and settlements of investment securities:		
Seeding of investment products	(10.6)	(14.2)
Investments related to deferred compensation plans	(0.1)	—
Seed capital derivative instruments	(3.7)	(8.9)
Total purchases and settlements of investment securities	(14.4)	(23.1)
Proceeds from sales, settlements and maturities of investment securities:		
Seeded investment products	1.1	62.3
Investments related to deferred compensation plans	1.0	41.3

Debt securities	—	10.0
Seed capital derivative instruments	1.2	6.7
Total proceeds from sales, settlements and maturities of investment securities	3.3	120.3
Cash provided by (used for) investing activities	$ (12.1)	$ 95.6

Financing Activities

Cash used for financing activities for the three months ended March 31, 2015 and 2014, is as follows (in millions):

	Three months ended March 31,	
	2015	2014
Repurchase of common stock	$ (23.5)	$ (11.3)
Dividends paid to JCG shareholders	(15.0)	(13.4)
Proceeds from stock option exercises and employee stock purchases	6.1	1.4
Excess tax benefit from equity-based compensation	7.1	0.7
Other financing activities	(0.8)	(1.5)
Cash used for financing activities	$ (26.1)	$ (24.1)

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company has had no material changes in its exposure to market risks from that previously reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Item 4. Controls and Procedures

As of March 31, 2015, JCG's management evaluated the effectiveness of the design and operation of its disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Disclosure controls and procedures are designed by the Company to seek to ensure that it records, processes, summarizes and reports in a timely manner the information it must disclose in reports that it files with or submits to the U.S. Securities and Exchange Commission. Richard M. Weil, Chief Executive Officer, and Jennifer J. McPeek, Executive Vice President and Chief Financial Officer, reviewed and participated in management's evaluation of the disclosure controls and procedures. Based on this evaluation, Mr. Weil and Ms. McPeek concluded that as of the date of their evaluation, JCG's disclosure controls and procedures were effective.

There has been no change in JCG's internal controls over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the first quarter 2015 that has materially affected, or is reasonably likely to materially affect, JCG's internal controls over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

See Part I, Item 1. Financial Statements, Note 11 — Litigation and Other Regulatory Matters.

Item 1A. Risk Factors

The Company has had no material changes in its risk factors from those previously reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Common Stock Repurchases

JCG's Board of Directors authorized a $500 million share repurchase program in July 2008. JCG did not repurchase any of its common stock from the end of 2008 through the end of 2011. As part of its capital and liquidity management, JCG resumed share repurchases in the first quarter 2012.

During the three months ended March 31, 2015, JCG repurchased 298,200 shares of its common stock at an average price of $16.86 per share and a total cost of $5.0 million as part of the share repurchase program. The share repurchase program is within the parameters of Rule 10b5-1 of the Exchange Act. Any future repurchases of common stock will depend on prevailing market conditions, the Company's liquidity requirements, contractual and legal restrictions, and other factors.

JCG also repurchased 295,850 shares of common stock from The Dai-ichi Life Insurance Company ("Dai-ichi Life") on January 27, 2015, for a total cost of $4.6 million, in order for Dai-ichi Life to comply with the ownership limit obligations under the investment agreement between JCG and Dai-ichi Life.

In addition to the share repurchase program, JCG repurchased 1,525 shares in January 2015 and 791,172 shares in February 2015 from employees as part of a share withholding program to satisfy the employees' minimum statutory income tax liabilities attributable to the vesting of restricted stock.

The following table presents monthly 2015 JCG common stock repurchases:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans	Approximate dollar value of shares that may yet be purchased under the plans (end of month)
January	595,575	$ 16.29	594,050	$ 378 million
February	791,172	17.41	—	$ 378 million
March	—	n/a	—	$ 378 million
Total	**1,386,747**	**$ 16.93**	**594,050**	

Item 3, 4 and 5

Not applicable

Item 6. Exhibits

10.1	Form of Performance Share Unit Award, effective for awards granted to the Company's Chief Executive Officer in 2013.
31.1	Certification of Richard M. Weil, Chief Executive Officer of Registrant
31.2	Certification of Jennifer J. McPeek, Executive Vice President and Chief Financial Officer of Registrant
32.1	Certification of Richard M. Weil, Chief Executive Officer of Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Jennifer J. McPeek, Executive Vice President and Chief Financial Officer of Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Insurance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 1, 2015

Janus Capital Group Inc.

/s/ Richard M. Weil
Richard M. Weil,
Director and Chief Executive Officer
(Principal Executive Officer)

/s/ Jennifer J. McPeek
Jennifer J. McPeek,
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

/s/ Brennan A. Hughes
Brennan A. Hughes,
Senior Vice President,
Chief Accounting Officer and Treasurer
(Principal Accounting Officer)

JANUS CAPITAL GROUP INC.
INDEX TO EXHIBITS

Exhibit No.	Document	Regulation S-K Item 601(b) Exhibit No.
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101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	101

(Back To Top)

Section 2: EX-10.1 (EX-10.1)

Exhibit 10.1

JANUS LONG TERM INCENTIVE AWARD (“LTI”) ACCEPTANCE FORM

The Company grants to <Grantee Name> (“you” or “Grantee”), effective as of <Grant Date> (the “Grant Date”), a Performance Stock Unit Award (the “LTI Award”) as described below, subject to the terms and conditions set forth in this LTI Acceptance Form, the attached Company Plan and the attached Appendices A and B.

Performance Stock Unit Award — see Appendix A for additional terms

Number of Stock Units Granted	<Quantity Granted>

****The number of PSUs was updated to reflect a correction to the method used to calculate the fair market value of PSUs on the grant date.***

a. Pursuant to the terms of the LTI Award, you shall be eligible to vest in a number of stock units, if any, based on the achievement of the performance criteria set forth below (the “Performance Criteria”), provided that you have not experienced a Termination of Affiliation prior to <Vesting Date> (the “Vesting Date”). Any portion of the LTI Award that does not vest because the applicable Performance Criteria have not been satisfied as of the Vesting Date shall be terminated, cancelled and forfeited.

i. If, between the Grant Date and the Vesting Date (the “Performance Period”), the Company’s Operating Income Margin, as set forth below, is less than or equal to XX%, then none of the LTI Award will vest.

ii. If the Company’s Operating Income Margin during the Performance Period is equal to XX%, then 100% of the LTI Award will vest.

iii. If the Company’s Operating Income Margin during the Performance Period is greater than or equal to XX%, then 200% of the LTI Award will vest.

iv. If the Company’s Operating Income Margin during the Performance Period is greater than XX% and less than XX%, the Grantee shall vest in a number of Stock Units that is the mathematical linear interpolation between the number of Stock Units which would vest at the defined ends of the applicable spectrum.

v. For the purposes of this LTI Award, the Company’s Operating Income Margin shall mean Total Operating Income divided by Total Revenue for <Year 1>, <Year 2> and <Year 3> (each as reflected on the “Consolidated Statements of Comprehensive Income” in each year’s Janus Capital Group Inc. audited financial statements). Appendix B provides an example of calculating Company’s Operating Income Margin.

b. Notwithstanding the provisions of (a) above, if you have a Termination of Affiliation with the Company due to death or Disability, the LTI Award shall vest based on applicable performance through the date of the Company’s latest quarterly financial statements (e.g., Janus Capital Group Inc.’s Quarterly Form 10-Q or Annual Form 10-K) prior to the Termination of Affiliation. Except as provided in the preceding sentence, in the event that you have a Termination of Affiliation, any portion of the LTI

Award that is unvested, and any of your rights hereunder, shall be terminated, cancelled and forfeited effective immediately upon such Termination of Affiliation.

c. Notwithstanding anything to the contrary in the Company Plan, following a Change of Control, the Performance Criteria shall be measured based on applicable performance through the date of the Company’s latest quarterly financial statements (e.g., Janus Capital Group Inc.’s Quarterly Form 10-Q or Annual Form 10-K) prior to the Change of Control. The portion of the LTI Award that is earned based upon such measurement will convert into a time-based award that will vest in full on <Vesting Date> (the “Resulting Award”), subject to Section 4(b) of Appendix A. Any portion of the LTI Award that is not converted into the Resulting Award, and any of your related rights hereunder, shall be terminated, cancelled and forfeited effective immediately upon such Change of Control. Notwithstanding the foregoing, in the event of a termination of your employment or service by the Company without Cause or by you for Good Reason, or due to death or Disability, in each case following a Change of Control and prior to <Vesting Date>, the Resulting Award shall vest in full on the date of such termination.

d. In accordance with the Company Plan, the Committee may, in its sole discretion, accelerate the vesting of all or a portion of the LTI Award or waive any or all of the terms and conditions applicable to this LTI Acceptance Form or the attached Appendix. This LTI Acceptance Form and the attached Appendix A do not supersede, or otherwise amend or affect any other

LTI awards, agreements, rights or restrictions that may exist between the parties.

e. Capitalized terms used but not defined in this LTI Acceptance Form have the meaning specified in the Company Plan and/or in the attached Appendix A.

By executing this LTI Acceptance Form, you indicate your acceptance of the LTI Award set forth above and agree to be bound by the terms, conditions and provisions set forth in the LTI Acceptance Form, the attached Appendix A and the Company Plan, all of which are incorporated by reference herein and are an integral part of this LTI Acceptance Form. Please sign and return this LTI Acceptance Form to the Assistant Corporate Secretary's Office in the envelope provided within sixty (60) days after the Company's mailing of this LTI Acceptance Form to you. In the event you fail to return the executed original within sixty (60) days, the Company reserves the right to terminate and forfeit the LTI Award (including any rights provided for in this LTI Acceptance Form and the attached Appendix A), or to suspend or forfeit all or any vesting event(s) arising from the LTI Award. This LTI Acceptance Form may be executed in counterparts, which together shall constitute one and the same original. This LTI Acceptance Form may be executed by the exchange of facsimile signature pages, provided that by doing so the Participant agrees to provide an original signature as soon thereafter as possible.

ACCEPTED AND AGREED TO AS OF THE GRANT DATE:

PARTICIPANT:

____
<Grantee Name>

JANUS CAPITAL GROUP INC.

By: ____
By: David W. Grawemeyer
Title: Executive Vice President, General Counsel and Secretary

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APPENDIX A – TERMS OF PERFORMANCE STOCK UNIT AWARD

1. Grant of Performance Stock Unit Award.

Subject to the provisions of this Appendix, the LTI Acceptance Form and the Company's 2010 Long Term Incentive Stock Plan, as may be amended from time to time (the "Company Plan"), the Company hereby grants to the Grantee the number of performance stock units (the "Stock Units") identified under the Performance Stock Unit Award section of the attached LTI Acceptance Form, representing the same number of shares of the Company's common stock, par value $.01 per share ("Common Stock").

2. No Right to Continued Employment.

Nothing in this Appendix or the Company Plan shall confer upon Grantee any right to continue providing services to, or be in the employ of, the Company or any Subsidiary or interfere in any way with the right of the Company any Subsidiary to terminate Grantee's association or employment at any time.

3. Unfair Interference.

During Grantee's employment with the Company or any Subsidiary and during the twelve months after Termination of Affiliation, Grantee shall not: (i) knowingly and directly solicit, hire or attempt to hire, or assist another in soliciting, hiring or attempting to hire, on behalf of any Competitive Business, any person who is an employee or contractor of the Company or any Subsidiary; or (ii) knowingly and directly divert, attempt to divert, solicit, or assist another in diverting, attempting to divert or soliciting, the customer business of any Protected Client on behalf of a Competitive Business. For purposes of this section, "Competitive Business" means any business that provides investment advisory or investment management services or related services; and "Protected Client" shall mean any person or entity to whom the Company or any Subsidiary provided investment advisory or investment management services at any point during the six months preceding Grantee's Termination of Affiliation.

4. Change of Control.

(a) For purposes of this Appendix and the LTI Acceptance Form, "Good Reason" shall have the meaning assigned to such term in Grantee's individual employment, change in control or severance agreement (if any). If Grantee is not a party to an agreement in which Good Reason is defined, Good Reason shall mean the occurrence of any of the events or conditions described below which are not cured by the Company within thirty (30) days after the Company has received written notice from Grantee (which notice must be provided by Grantee within ninety (90) days of the initial existence of the event or condition constituting Good Reason):

(i) a material adverse alteration in the nature or status of your responsibilities from those in effect immediately prior to the Change of Control other than any such alteration primarily attributable to the fact that the Company may no longer be a public company or to other changes in the identity, nature or structure of the Company; and provided, that a change in Grantee's title or reporting relationships shall not of itself constitute Good Reason (unless such change results in a material adverse alteration as described above);

(ii) any material reduction in Grantee's base salary except for any across-the-board reduction similarly affecting similarly-situated employees of the Company; or

(iii) the relocation of Grantee's principal place of employment to a location more than 40 miles from Grantee's principal place of employment immediately prior to the Change of Control, provided that such relocation results in a material negative change to Grantee's employment.

(b) Notwithstanding subsection (c) of the LTI Acceptance Form, in the event of a Change of Control of the Company, the Company may, in its sole discretion, cancel Grantee's Resulting Award in exchange for a payment in cash in an amount equal to (x) the consideration paid per Share in the Change of Control multiplied by (y) the number of Shares subject to Grantee's Resulting Award.

5. Clawback.

Notwithstanding anything to the contrary contained in this Agreement, and subject to then-applicable U.S. Securities and Exchange Commission, New York Stock Exchange and/or other regulatory requirements related to clawback or compensation reimbursement rules, if Grantee is found by a court of competent jurisdiction (in a final judgment that is either not appealed or is non-appealable) or by any relevant regulator to have knowingly committed fraud against the Company or any of its Affiliates, or if Grantee is found to have actively participated in, knowingly concealed or covered up, or knowingly failed to identify a material misstatement in the Company's financial statements, the Grantee's LTI award granted in the three calendar years prior to such judgment or regulatory determination, whether vested or unvested, shall be immediately forfeited and cancelled, and Grantee shall promptly return and repay to the Company, in respect of any Company shares, stock options or mutual fund units previously transferred to Grantee pursuant to such LTI award agreements, an amount equal to the lesser of: (i) the fair market value of such shares, stock options (based on the intrinsic value of such stock options) or mutual fund units on the date of vesting, and (ii) the fair market value of such shares, stock options (based on the intrinsic value of such stock options) or mutual fund units on the date on which such repayment obligation arises, in each case, regardless of whether the Grantee previously sold or otherwise disposed of such shares.

6. Issuance of Shares.

Subject to Section 12 (pertaining to the withholding of taxes) and Section 20 (pertaining to Section 409A of the Code), as soon as practicable after each vesting event under Subsections (a), (b)

and (c) of the LTI Acceptance Form, but in no case later than 70 days following the date on which an award becomes vested (provided that it has been determined that the applicable Performance Criteria have been achieved and there has been no prior forfeiture of the Stock Units pursuant to the terms of this Appendix or the Company Plan), the Company shall issue (or cause to be delivered) to the Grantee one or more stock certificates or otherwise transfer shares with respect to the Stock Units vesting (or shall take other appropriate steps to reflect the Grantee's ownership of all or a portion of the vested Stock Units that are subject to this Appendix). Following the settlement of the vested Stock Units in Common Stock pursuant to this Section 6, Grantee may not sell, assign, transfer or otherwise dispose of any of the "net shares" (as defined below) of Common Stock transferred to Grantee upon settlement of such vested Stock Units until the first anniversary of the date on which the Stock Units vested. Grantee may be required to execute and deliver such other agreements as may be reasonably requested by the Company that are consistent with the foregoing or that are necessary to give further effect thereto. For purposes of this Section 6 only, the term "net shares" shall mean the net number of shares of Common Stock transferred to Grantee upon settlement of the vested Stock Units after subtracting such shares of Common Stock withheld by the Company, if any, in payment of tax withholding obligations applicable to such settlement.

7. Nontransferability of the Stock Units.

No Stock Units shall be transferable by the Grantee by means of sale, assignment, exchange, encumbrance, pledge or otherwise.

8. Rights as a Stockholder.

Except as otherwise specifically provided in this Appendix, the Grantee shall have no rights as a stockholder solely as a result of the grant of the Stock Units and shall have no right to cash or stock dividends or to be credited with Dividend Equivalents on his or her Stock Units to the extent dividends are paid on Company Common Stock, unless and until the Grantee has become the holder of record of shares of Common Stock following payment in Common Stock upon the vesting of Stock Units.

9. Adjustment in the Event of Change in Stock.

In the event that the Committee determines that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), recapitalization, stock split, reverse stock split, subdivision, consolidation or reduction of capital, reorganization, merger, scheme of arrangement, split-up, spin-off or combination involving the Company or repurchase or exchange of Common Stock or other rights to purchase Common Stock or other securities of the Company, or other similar corporate transaction or event that affects the Common Stock such that an adjustment is determined by the Committee to be appropriate to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Company Plan, then the Committee shall, in such manner as it may deem equitable, adjust the number and type of shares or Stock Units, or, if deemed appropriate, make provision for a cash payment to the Grantee or the substitution of other property for Stock Units; provided, that the number of Stock Units shall always be a whole number.

10. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by a Grantee in connection with the Stock Units, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

11. Other Restrictions.

Notwithstanding any other provision of the Company Plan or this Appendix, the Company will not be required to issue, and the Grantee may not sell, assign, transfer or otherwise dispose of, any shares of Common Stock received as payment of the Stock Units, unless (a) there is in effect with respect to the shares of Common Stock received as payment for the Stock Units a registration statement under the Securities Act of 1933, as amended, and any applicable state or foreign securities laws or an exemption from such registration, and (b) there has been obtained any other consent, approval or permit from any other regulatory body which the Committee, in its sole discretion, deems necessary or advisable. The Company may condition such issuance, sale or transfer upon the receipt of any representations or agreements from the parties involved, and the placement of any legends on certificates representing Common Stock received as payment of Stock Units, as may be deemed necessary or advisable by the Company in order to comply with such securities law or other restrictions.

12. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Grantee for tax withholding purposes with respect to any Stock Units or underlying shares of Common Stock, the Grantee shall pay all taxes that are required by applicable laws and regulations, if any, to be withheld by either: (i) participating in the Company's Share Withholding Program to have shares withheld by the Company or its agent (provided that it will not result in adverse accounting consequences to the Company), or (ii) making other payment arrangements satisfactory to the Company. For the avoidance of doubt, the shares are subject to income tax at the time of the issuance of the shares. The obligations of the Company under this Appendix shall be conditioned on compliance by the Grantee with this Section 12. It is intended that the foregoing provisions of this Section 12 shall normally govern the payment of withholding taxes (if required); however, if the required withholding is not accomplished under the preceding provisions of this Section 12, the Grantee agrees that the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee, including compensation or the delivery of the Stock Units or underlying shares of Common Stock that gives rise to the withholding requirement.

13. Notices.

Any notice to be given to the Company shall be addressed to the Company at its principal office, in care of its Assistant Corporate Secretary. Any notice to be given to the Grantee shall be addressed to Grantee at the address listed in the Company's records. By a notice given pursuant to this section, either party may designate a different address for notices. Any notice shall have been deemed

given (i) when actually delivered to the Company, or (ii) if to the Grantee, when actually delivered; when deposited in the U.S. Mail, postage prepaid and properly addressed to the Grantee; or when delivered by overnight courier.

14. Binding Effect.

Except as otherwise provided hereunder, this Appendix shall be binding upon and shall inure to the benefit of the heirs, executors or successors of the parties to this Appendix.

15. Laws Applicable to Construction.

The interpretation, performance and enforcement of this Appendix shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Appendix, the Stock Units are subject to the terms and conditions of the Company Plan, which is hereby incorporated by reference.

16. Severability.

The invalidity or enforceability of any provision of this Appendix shall not affect the validity or enforceability of any other provision of this Appendix.

17. Conflicts and Interpretation.

In the event of any conflict between this Appendix and the Company Plan, the Company Plan shall control. In the event of any ambiguity in this Appendix, or any matters as to which this Appendix is silent, the Company Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Company Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Company Plan, and (iii) make all other determinations deemed necessary or advisable for the administration of the Company Plan.

18. Amendment.

Except as otherwise provided for in this Appendix, this Appendix may not be modified, amended or waived except by an instrument in writing approved by both parties hereto or approved by the Committee. The waiver by either party of compliance with any provision of this Appendix shall not operate or be construed as a waiver of any other provision of this Appendix, or of any subsequent breach by such party of a provision of this Appendix. Notwithstanding anything to the contrary contained in the Company Plan or in this Appendix, to the extent that the Company determines that the Stock Units are subject to Section 409A of the Code and fail to comply with the requirements of Section 409A of the Code, the Company reserves the right to amend, restructure, terminate or replace the Stock Units in order to cause the Stock Units to either not be subject to Section 409A of the Code or to comply with the applicable provisions of such section.

19. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Appendix.

20. Section 409A; Six-Month Delay.

The intent of the parties is that payments and benefits under this Appendix comply with Section 409A and, accordingly, to the maximum extent permitted this Appendix shall be interpreted and administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, a Grantee shall not be considered to have terminated employment with the Company for purposes of this Appendix unless the Grantee would be considered to have incurred a “separation from service” from the Company within the meaning of 409A. Each amount to be paid or benefit to be provided under this Appendix shall be construed as a separate identified payment for purposes of Section 409A, and any payments described in this Appendix that are due within the “short term deferral period” as defined in Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise. Without limiting the foregoing, and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Appendix during the six-month period immediately following Grantee’s separation from service shall instead be paid on the first business day after the date that is six months following the Grantee's separation from service (or death, if earlier).

APPENDIX B — COMPANY'S OPERATING INCOME MARGIN CALCULATION

The following sample calculation of Company's Operating Income Margin is for illustrative purposes only.

	<Year 1>		<Year 2>		<Year 3>		Total
Total Revenues	$ 950	+	$ 1000	+	$ 1,100	=	$ 3,050(b)
Total Operating Income	$ 270	+	$ 310	+	$ 365	=	$ 945(a)
3 Year Operating Income Margin							31.0%
							(a) ÷ (b)

(Back To Top)

Section 3: EX-31.1 (EX-31.1)

Exhibit 31.1

CERTIFICATION

I, Richard M. Weil, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Janus Capital Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information;

and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Richard M. Weil
Richard M. Weil
Chief Executive Officer

Date: May 1, 2015

A signed original of this written statement required by Section 302 has been provided to Janus Capital Group Inc. and will be retained by Janus Capital Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

(Back To Top)

Section 4: EX-31.2 (EX-31.2)

Exhibit 31.2

CERTIFICATION

I, Jennifer J. McPeek, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Janus Capital Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Jennifer J. McPeek

Jennifer J. McPeek
Executive Vice President and
Chief Financial Officer

Date: May 1, 2015

A signed original of this written statement required by Section 302 has been provided to Janus Capital Group Inc. and will be retained by Janus Capital Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

(Back To Top)

Section 5: EX-32.1 (EX-32.1)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Janus Capital Group Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard M. Weil, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard M. Weil

Richard M. Weil
Chief Executive Officer

Date: May 1, 2015

A signed original of this written statement required by Section 906 has been provided to Janus Capital Group Inc. and will be retained by Janus Capital Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

(Back To Top)

Section 6: EX-32.2 (EX-32.2)

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Janus Capital Group Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jennifer J. McPeek, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the

Company.

/s/ Jennifer J. McPeek
Jennifer J. McPeek
Executive Vice President and
Chief Financial Officer

Date: May 1, 2015

A signed original of this written statement required by Section 906 has been provided to Janus Capital Group Inc. and will be retained by Janus Capital Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

(Back To Top)