

Merger with Janus Capital Group

FAQ for individual shareholders of Henderson Group (Second edition)

Henderson made available to its shareholders a circular dated 21 March 2017 concerning the merger with Janus Capital Group and containing a Notice of Extraordinary General Meeting to approve the merger (the **Circular**). Terms capitalised but not defined in this document have the meanings given in the Circular.

This document does not summarise, supplement or replace the information contained in the Circular. Shareholders should read the whole of the Circular before taking any action. If you are in any doubt about the contents of the Circular or the action you should take, you are recommended to seek your own financial advice as soon as possible from your stockbroker, bank, solicitor, accountant or other appropriate independent financial adviser.

If you have any questions about the completion of the merger or the settlement of your shareholding, please call the shareholder helpline.

- If calling from the UK, please call between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on either 0800 073 3916 or +44 (0) 1534 281 842.
- If calling from Australia, please call between 8.30 a.m. and 5.00 p.m. (Sydney time) Monday to Friday (except Australian national public holidays) on 1300 651 710 or +61 3 9415 4037.

Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the merger. Any information provided by the helpline will not override the terms of the merger as set out in the Circular.

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In connection with the proposed merger, Henderson Group plc has filed a registration statement on Form F-4 with the U.S. Securities and Exchange Commission (SEC), which was declared effective by the SEC on March 21 2017, containing a proxy statement of Janus Capital Group and other documents regarding the proposed merger. **Before making any voting or investment decision, the respective investors and shareholders of Henderson and Janus Capital Group are urged to carefully read the entire registration statement of Henderson, including the proxy statement of Janus Capital Group, and any other relevant documents filed by either company with the SEC, as well as any amendments or supplements to those documents, because they contain important information about Henderson, Janus Capital Group and the proposed merger.** The registration statement and other related documents filed by Henderson and Janus Capital Group are available electronically without charge at the SEC's website, www.sec.gov. Materials filed with the SEC may also be obtained without charge at Henderson's website, www.henderson.com or at Janus Capital Group's website www.janus.com, respectively.

Merger completion and exchange listing changes

1. What will occur on completion of the merger?

- Henderson Group plc will be renamed Janus Henderson Group plc (**Janus Henderson**).
- Janus Capital Group Inc will become wholly-owned by Janus Henderson.
- Janus Henderson ordinary shares will be denominated in US Dollars (**USD**) and listed and admitted to trading on the New York Stock Exchange (**NYSE**).
- Janus Henderson will continue to be listed on the Australian Securities Exchange (**ASX**) and its CHESS Depository Interests (**CDIs**) will continue to be quoted on the ASX, which will be linked to the primary listing of Janus Henderson on the NYSE.
- Henderson will cancel its listing on the London Stock Exchange (**LSE**) and its ordinary shares will cease to be traded on the LSE.
- Henderson will put in place arrangements to assist existing Henderson shareholders in continuing to hold their shares as described below.
- It is anticipated that completion will occur on Tuesday 30 May 2017 (London / New York).

2. Was the merger approved by Henderson shareholders?

- At the Extraordinary General Meeting held on 26 April 2017, Henderson shareholders voted to approve the merger of Henderson and Janus. All resolutions proposed to shareholders were passed at the meeting.
- Full details of the resolutions put to shareholder vote can be found on pages 26 to 30 of the Circular. Full details of the result of the poll can be found on the Henderson Group website: www.henderson.com/EGM2017

3. What is the “exchange ratio” for the merger?

- In order to complete the merger, Henderson will exchange 0.4719 new Janus Henderson shares for every 1 Janus share held by Janus stockholders.
- The exchange ratio has been adjusted in accordance with the terms of the Merger Agreement to take account of the share consolidation described below.

4. Will the exchange ratio change before completion?

- No (unless Henderson’s share capital structure were adjusted, which is not expected to be the case).

5. What is the “share consolidation”?

- Henderson ordinary shares and CDIs will be consolidated on a “1-for-10” basis immediately prior to completion.
- This means all Henderson shareholders will be entitled to hold one Janus Henderson ordinary share (or CDI) for every 10 Henderson ordinary shares (or CDIs) held by them immediately prior to completion of the merger.

6. Why is there going to be a share consolidation?

- To ensure that the share price of Janus Henderson is above the minimum share price of US\$4 required for admission to listing on the NYSE and so that, so as far as practicable, the initial share price is at a comparable level to Janus Henderson's peers on the NYSE.

7. Who will be the share registrar for Janus Henderson after completion?

- Henderson's current share registrar, Computershare, will continue to be the share registrar for Janus Henderson after completion.

8. What happens to my Henderson ordinary shares after completion?

- Refer to Part VIII of the Circular for details regarding the settlement of new Janus Henderson shares at completion (including details of how a shareholder can lodge instructions in respect of their holdings and how to opt out or withdraw from the facilities referred to below).

9. I am a shareholder holding share certificates for Henderson Group ordinary shares, currently listed on the LSE. How will I hold my shares in Janus Henderson?

- As the new Janus Henderson Shares will be listed on the NYSE, Henderson shareholders who hold share certificates for their existing Henderson shares may find that holding and trading new Janus Henderson Shares directly involves US market practices and formalities that may be unfamiliar to them. In addition, dealing with the Transfer Agent (the equivalent of a registrar in the UK) in a different jurisdiction and time zone may prove inconvenient in certain circumstances.
- Janus Henderson will arrange for Computershare, the "CSN Nominee", to provide the Janus Henderson "CSN Facility". Computershare will act in the UK as nominee and trustee for holders of Henderson Shares who are resident in a CSN Permitted Jurisdiction.

10. How will I be notified of my new holding in the CSN facility?

- Each holder in the facility will receive a statement of entitlement from Computershare detailing their holding and explaining how they may deal in their new Janus Henderson Shares through the Janus Henderson CSN Facility, including details of ongoing services and details of the special dealing facility, where eligible.
- If a shareholder has updated their contact details recently, to ensure the statement of their new holding reaches them without delay, shareholders should ensure updated contact details have been submitted to Henderson's existing share registrar (Computershare).

11. Will I need to keep my old Henderson certificate after completion?

- As all existing Henderson Share certificates will be automatically cancelled and will become invalid after completion. You can destroy your certificates upon receipt of your statement.

12. If I become a holder through the CSN facility, do I need to resubmit communication preferences/instructions after completion?

- All mandates, communication preferences and other instructions to Henderson in force at the Share Consolidation Record Time, relating to Henderson Shares held in certificated form shall, unless and until revoked or amended, be deemed to be valid and effective instructions to Computershare for your holding in Janus Henderson.

- 13. I am a shareholder of Henderson Group ordinary shares currently listed on the LSE, through CREST. How will I hold my shares in Janus Henderson?**
- At completion, the new Janus Henderson Shares will no longer be able to be transferred or settled directly through the CREST settlement system.
 - For this reason, Henderson has entered into arrangements to enable Henderson Shareholders to hold, and settle transfers of, new Janus Henderson Shares in CREST in the form of Janus Henderson Depositary Interests (**DIs**), each representing an entitlement to one underlying new Janus Henderson Share.
- 14. What is a Depositary Interest (DI)?**
- A Depositary Interest is a legal structure that allows an entitlement to shares to be settled and be capable of being held and transferred within the CREST system.
- 15. How does a DI work and how will I receive my new Janus Henderson holding?**
- A DI represents the right to a share with, to the extent legally possible, the same rights and entitlements as a registered shareholder. DI holders are beneficial holders rather than registered holders of shares in a company.
 - Computershare has been appointed to provide the DI service to Janus Henderson and as the Depositary of the DI service. Computershare has appointed one of its entities as custodian to hold Janus Henderson shares on behalf of DI holders.
 - The Janus Henderson DIs will be created and issued under the terms of the “DI Deed”, which will govern the relationship between the Depositary and the holders of Janus Henderson DIs.
 - The Depositary will issue DIs to participants and register them in the CREST system (on a 1 for 1 basis with the Janus Henderson share held by the custodian) so they can be transferred to the holder.
 - New DI holders will receive a credit to their CREST account showing their new holding in Janus Henderson shortly after completion.
 - DI holders can request cancellation of their DIs and request to hold an underlying Janus Henderson ordinary share at any time.
 - Cancellation is subject to a charge but a grace period of 14 days from completion of the merger will be provided during which DI holders can cancel their DIs free of charge.
- 16. Does being a holder of a DI mean I have the same rights to those of ordinary shareholders?**
- Yes – as a DI holder you have the same rights as holders of ordinary shares so far as possible in accordance with applicable law and the terms of the DI Deed.
- 17. If I become a holder of a DI, do I need to resubmit communication preferences/instructions after completion?**
- All mandates, communication preferences and other instructions will need to be resubmitted after completion in respect of the relevant DIs.

18. I am a shareholder holding share certificates for Henderson Group ordinary shares currently listed on the LSE, but am told I live outside of a “CSN permitted jurisdiction”. What does this mean for my holding?

- The Janus Henderson CSN Facility described above will not apply to Henderson Shareholders who hold existing share certificates who have validly opted out, or who are ineligible to participate because they are not resident in a “CSN Permitted Jurisdiction” (See Definitions, Part X of the Circular).
- These new Janus Henderson Shares will be held directly through The Direct Registration System (**DRS**) and the name of each holder will be entered as the registered owner.

19. What is the Direct Registration System (DRS)?

- DRS is a method of recording entitlement to new Janus Henderson Shares in Janus Henderson’s records without the need for a physical share certificate to be issued.

20. Does being a holder via DRS mean I have the same rights to those of ordinary shareholders?

- Yes – shares held in DRS have all the traditional rights and privileges of shares held in certificated form.

21. How will I be notified of my new holding via the DRS?

- Each holder registered through DRS will be sent an account statement of ownership, a “DRS Advice”, evidencing ownership of new Janus Henderson Shares by the Transfer Agent, Computershare, after the Completion Date.
- Along with the statement of ownership, shareholders will also be sent a DRS Advice FAQ containing further information about DRS, including further details on how the new Janus Henderson Shares can be held, transferred or traded through DRS.
- Proxy materials, annual reports and other shareholder communications will be mailed from Janus Henderson and/or its voting agent directly to the Janus Henderson Shareholders who hold their new Janus Henderson Shares through DRS.

22. If I become a holder of through DRS, do I need to resubmit communication preferences/instructions after completion?

- All mandates, communication preferences and other instructions will need to be resubmitted after completion.

23. What action do I need to take to receive my new holding, either through the CSN facility, CREST or DRS?

- No action needs to be undertaken on your part. All shareholders will automatically receive their entitlements to new Janus Henderson shares.

24. What should I do with any paper share certificates I hold?

- You should keep any paper certificates on record until the point at which you receive the applicable statement / notification confirming your new holdings. After you receive that statement / notification, paper certificates may be destroyed (securely).

25. Will I still be able to convert my NYSE-listed shares into ASX-listed CDIs?

- Yes – it is anticipated that cross-border movements between Janus Henderson shares, Janus Henderson DIs, and Janus Henderson CDIs will commence from 31 May 2017.

26. Why is Henderson cancelling unissued shares but then increasing the share capital?

- Henderson is seeking approval to cancel its unissued share capital in order to ensure compliance with the relevant Jersey law requirements that apply to the redenomination of its share capital, which only permit the redenomination of its issued share capital.
- The proposed increase in the company's authorised share capital is in order to allow Henderson to issue New Janus Henderson Shares in connection with the Merger and the Dai-ichi Option Agreement (if Dai-ichi exercises the options), and to provide sufficient capital capacity for Janus Henderson following completion of the merger.

27. When will the nominal value of the Henderson ordinary shares be re-denominated in USD?

- On 26 April 2017, following Henderson shareholders' approval at the EGM, the nominal value of Henderson shares was redenominated to US Dollars.
- As detailed in the Circular, the 12.5p nominal value of each Henderson share was converted to US\$0.1547.
- Henderson ordinary shares will continue to trade on the LSE in Pounds Sterling until completion of the merger.

28. Will there be a special dealing service in place for small shareholders who do not wish to own a US-listed stock to sell their shares?

- There is no special dealing service for this corporate action however the standard dealing service offered by Henderson's Share Registrar, Computershare, will continue to be in place up until, and after, the completion of the merger.
- We advise contacting the shareholder helpline – details of which are on page 1 of this Q&A – for further information about the share dealing service.

Indicative timeline of events

Event	Expected date	Notes
<i>The following dates are indicative only and are subject to change</i>		
Final day of dealings in 'pre-consolidation' Henderson CDIs on ASX	24 May 2017	
Commencement of trading in 'consolidated' Janus Henderson CDIs on a deferred settlement basis on ASX	25 May 2017, 8am (Sydney)	The ticker will show as "HGGDA" during this time.
Cross-border movements between 'pre-consolidation' Henderson shares and CDIs suspended: <ul style="list-style-type: none"> • Henderson CDIs to Henderson shares • Henderson shares to Henderson CDIs 	25 May 2017, 4.30pm (Sydney) 25 May 2017, 4.30pm (London)	
CDI Consolidation record time	26 May 2017, 7pm (Sydney)	
Final day of dealings in Henderson shares on LSE	26 May 2017	
Share Consolidation record time	26 May 2017, 6pm (London)	1 for 10 consolidation, to take share price above NYSE minimum
Completion date	30 May 2017	
De-listing of Henderson shares from the Official List and the LSE	30 May 2017, 8am (London)	
Issue of Janus Henderson shares in connection with the merger	30 May 2017, prior to 8am (NY)	
Admission and commencement of dealings in Janus Henderson shares on NYSE	30 May 2017, 8am (NY)	
Issue of Janus Henderson DIs to CREST participant accounts and crediting of Janus Henderson CSN facility accounts	30 May 2017	
Issue of new 'consolidated' Janus Henderson CDIs	31 May 2017, prior to 8am	
Cross-border movements between Janus Henderson shares, Janus Henderson DIs, and Janus Henderson CDIs commence	31 May 2017	
Despatch of holding confirmations/statements in respect of holdings in new 'consolidated' Janus Henderson CDIs	2 June 2017	
Commencement of normal trading in new 'consolidated' Janus Henderson CDIs on ASX under ticker HGG	5 June 2017	CDI ticker will continue under HGG until 13 June 2017
Name change effected by ASX; commencement of normal trading in new 'consolidated' Janus Henderson CDIs on ASX under ticker JHG	13 June 2017	Ticker will change from HGG to JHG on and from 13 June 2017
Despatch of DRS Advices in respect of holdings of new Janus Henderson shares on DRS	On or around 14 June 2017	
Payment (where applicable) of fractional entitlements arising from the Share Consolidation or the Merger	On or around 14 June 2017	
Despatch of CSN statements in respect of holdings of new Janus Henderson shares through the Janus Henderson CSN Facility	On or around 14 June 2017	

ASX considerations

29. What are CHESSE Depository Interests (CDIs)?

- CHESSE Depository Interests (**CDIs**) are a way of allowing securities of companies incorporated outside of Australia to be traded on the Australian Securities Exchange.
- CDIs afford shareholders all the same direct economic benefits as ordinary shares, like the right to dividends and the right to participate in rights offers.

30. What is happening to Henderson CDIs after completion?

- Janus Henderson CDIs will continue to be quoted and traded on the ASX.
- Janus Henderson CDIs will be linked to the company's ordinary shares admitted to trading on the NYSE (instead of the LSE).

31. Why has the ASX ticker changed to "HGGDA"?

- The ticker will temporarily change to reflect a period of deferred trading while the share consolidation takes place (discussed further at item 31 below).

32. Why are Australian CDIs trading on a deferred basis prior to the merger?

- In order to ensure that the share consolidation can be implemented accurately, in line with standard ASX practices, CDIs must be traded on a deferred basis for a short period before and after completion of the merger.

33. Why are CDIs continuing to trade under the HGG ticker on the ASX two weeks after ordinary shares are trading under the JHG ticker on the NYSE?

- On completion of the merger, Janus Henderson CDIs will be linked to the company's ordinary shares traded on the NYSE, rather than the existing Henderson shares traded on the LSE (which will be delisted from admission and trading on that exchange).
- It is not possible for the ASX to carry out two corporate actions against a security at the same time. This means the deferred settlement period must end before the change of name / ticker can be actioned by the ASX.

34. Will I be able to convert my ASX-listed CDIs to NYSE-listed shares during the deferred trading period / before the ticker changes to JHG?

- There is a short period of time before and after the share consolidation and completion date in which cross-border movements of CDIs, Henderson shares and new Janus Henderson shares will be suspended.
- The anticipated dates for suspending and recommencing cross-border movements of CDIs, Henderson shares and new Janus Henderson shares are set out in the table above.

Fractional entitlements

35. What is a “fractional entitlement”?

- As a result of the share consolidation, Henderson shareholders whose holding of existing Henderson shares or CDIs cannot be consolidated into an exact number of new Janus Henderson shares will be left with a fractional entitlement.
- Fractional entitlements of Henderson shareholders or CDI holders to Janus Henderson shares will be aggregated and sold in the market for the best price reasonably obtainable on behalf of the relevant Henderson shareholders or CDI holders, as applicable.
- The net proceeds of the sale, after deduction of the expenses for sale, will be paid in due proportion to the relevant Henderson share holder or CDI holder. The value of any fractional entitlement will not exceed the value of one new Janus Henderson share when the relevant new Janus Henderson shares are sold.
- Henderson shareholders and CDI holders who hold fewer than 10 existing Henderson shares or CDIs will still have their holding consolidated but will receive cash only and no new Janus Henderson shares or CDIs, as applicable.

36. How will the costs for the sale of fractional entitlements be paid?

- These costs will be deducted from the proceeds of the sale.

37. When will payments from the sale of my fractional entitlements be made?

- Payment of fractional entitlements, where applicable, will be despatched as soon as practicable following the sale of the relevant new Janus Henderson shares (anticipated to occur on or around 14 June 2017).

38. How will payments from the sale of fractional entitlements be paid?

- Holders of ordinary shares that hold their existing Henderson shares in CREST will receive their fractional entitlement payment via their CREST accounts.
- Henderson shareholders who hold their existing Henderson shares in certificated form will be sent a cheque for their fractional entitlement, regardless of whether they have an existing mandate to a bank or building society in respect of the payment of dividends. Authority under this mandate does not extend to these forms of distributions.
- Henderson CDI holders will have their fractional entitlement payment deposited into the bank account into which their Henderson dividends are paid, where applicable, or if no existing mandate is in place, will be sent a cheque.

39. What currency will payments from the sale of fractional entitlement be made in?

- Holders of ordinary shares will receive any fractional entitlement payments in Pounds Sterling.
- CDI holders will receive any fractional entitlement payment in Australian Dollars or New Zealand Dollars, in accordance with their preference for, and applying the currency exchange rate applicable to, the payment of dividends.

Tax

Shareholder should read the tax section of the Circular in full (see Part 1, paragraph 21 of the Circular). Shareholders that are unsure of their tax position or that may be subject to tax in a jurisdiction other than the UK or Australia, are strongly recommended to consult their own professional advisers.

40. Is there any UK taxation of chargeable gains for UK resident (and domiciled) shareholders (who hold their shares as investments, are the absolute beneficial owners of their shares and are not subject to any special tax rules) as a result of the share consolidation?

- It is expected that, to the extent a shareholder receives new Janus Henderson shares as a result of the share consolidation, the shareholder should not in practice be treated as making a disposal of all or part of their holding of existing Henderson shares.
- It is expected that, to the extent a shareholder receives cash from the sale of fractional entitlements on their behalf, the shareholder will not in practice normally be treated as making a part disposal of their holding of existing shares. Instead, any proceeds received will be deducted from the base cost of the shareholder's new holding in new Janus Henderson shares.

41. Are there any immediate tax consequences of the redenomination for UK resident (and domiciled) shareholders (who hold their shares as investments, are the absolute beneficial owners of their shares and are not subject to any special tax rules)?

- It is not expected that the redenomination of Henderson shares to USD will give rise to any immediate liability to UK taxation of chargeable gains, UK income tax or UK corporation tax on income.

42. Are there any Australian tax implications for Australian resident shareholders as a result of the share consolidation?

- Australian Henderson CDI Holders should not be treated as having disposed of their existing Henderson CDIs as a result of the Share Consolidation. Accordingly, no capital gain or loss should be realised in respect of those Henderson CDIs that are consolidated into new Janus Henderson CDIs under the proposed Share Consolidation.
- A class ruling is being sought from the Australian Tax Office to confirm the specific income tax consequences of the share consolidation.

43. Are there any Australian tax implications for Australian resident shareholders as a result of the sale of fractional entitlements?

- Australian Henderson CDI Holders should recognise a capital gain or loss upon disposal of any fractional entitlements to a New Janus Henderson CDI. This will be determined by comparing the payment received for such disposal against the cost base of the existing Henderson CDIs relating to any fractional entitlement to a new Janus Henderson CDI.
- A class ruling is being sought from the Australian Tax Office to confirm the specific income tax consequences of the sale of fractional entitlements.

44. What are the US federal income tax consequences of the merger to holders of Henderson ordinary shares?

- So long as section 7874 of the Internal Revenue Code of 1986 ("the Code") is not applicable to the merger, there are no US federal income tax consequences of the merger to US holders of Henderson ordinary shares unless they also hold Janus common stock.

- If section 7874 of the Code were to apply, there could be an indirect impact on Henderson shareholders because Janus Henderson could be treated as a US corporation and therefore could be liable for substantial US federal income tax on its operations and income following the merger. In addition, non-US Janus Henderson shareholders could be subject to US withholding tax on the gross amount of any dividends paid by Janus Henderson to such shareholders. Finally, Janus Henderson's ability to use certain US federal income tax attributes of Janus to offset certain income may be limited.
- Based on currently available data, the parties do not expect section 7874 to apply to the merger, although this conclusion cannot be made definitively until the closing of the merger.

45. Do I need to file any tax returns or complete any forms for US tax purposes?

- Shareholders who are in any doubt about their tax position or filing requirements are strongly recommended to consult their own professional advisers.

Dividends declared and paid after completion

46. How will I receive any dividends declared and paid by Janus Henderson after completion?

- Holders participating in the CSN Facility will receive dividends in the same manner as they do currently (unless they change their payment instructions).
- Holders receiving DIs or who will receive new Janus Henderson shares in DRS, will need to resubmit their payment instructions.

47. What currency will any future Janus Henderson dividends be paid in?

- The Board of Janus Henderson Group will declare dividends in US Dollars.
- Dividends will be distributed to shareholders in US Dollars, Pound Sterling or Australian Dollars.

48. Can I elect to still receive dividends in GBP/another currency?

- Janus Henderson shareholders will be able to elect for the currency in which they wish to receive their dividends, in the same manner as current Henderson shareholders do.
- Janus Henderson's share registrar, Computershare, can provide further information about how to elect to receive dividends in a different currency and the Global Dividend Payment Service.

49. Will Janus Henderson withhold UK tax at source on dividend payments made to Janus Henderson holders?

- Under current UK legislation, Janus Henderson will not be required to withhold UK tax at source from dividend payments made on Janus Henderson shares, irrespective of the place of residence of Janus Henderson shareholders or their particular circumstances.

50. Will Janus Henderson withhold US tax at source on dividend payments made to Janus Henderson holders?

- No – so long as section 7874 of the Code is not applicable to the merger, as the companies expect, Janus Henderson will not be required to withhold US tax at source on dividend payments.