

Registered number: 8231660

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED
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COMPANY INFORMATION

DIRECTORS	S F Arkle A J Formica A C Seymour-Jackson R M Thompson R Weil
COMPANY SECRETARY	Henderson Secretarial Services Limited
REGISTERED NUMBER	8231660
REGISTERED OFFICE	201 Bishopsgate London EC2M 3AE
INDEPENDENT AUDITORS	PricewaterhouseCoopers LLP 7 More London Riverside More London London SE1 2RT

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

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HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Directors present their report and the audited financial statements for the year ended 31 December 2017.

The Directors have prepared the report in accordance with the small companies regime and taken advantage of the small companies' exemption (Companies Act 2006 (section 414B)) in not preparing a Strategic Report. The Company would have otherwise qualified as a small company was it not a member of an ineligible group.

PRINCIPAL ACTIVITY AND FUTURE OUTLOOK

The principal activity of Henderson Group Holdings Asset Management Limited ('the Company') is to act as an investment holding company. The Directors do not envisage a change of activities in the foreseeable future.

BUSINESS REVIEW

The Company is a wholly owned subsidiary of Janus Henderson Group plc ("JHG plc" or "the Group"). The Group is run on an integrated basis through business units, not by the legal construct of its subsidiaries. Therefore the Company's strategy and business model is governed by that of the Group which is set out in detail in the Annual Report and Accounts of the Group, which can be obtained from its registered office as set out in note 17. The Group provides investment management services to clients throughout Europe, the Americas and Asia. The Group manages a broad range of actively managed investment products for institutional and retail investors, across multiple asset classes, including equities, fixed income, multi asset and alternatives.

On 30 May 2017, JHG plc (formally Henderson Group plc) completed a merger with Janus Capital Group, Inc. This merger did not impact the principal activities or the financial statements of the Company for the year ended 31 December 2017.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £22,069,000 (2016: £118,874,000).

The Directors paid interim dividends totalling £22,000,000 (2016: £118,800,000).

DIRECTORS

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

K Desai (resigned 30 May 2017)
P C Wagstaff (resigned 30 May 2017)
S F Arkle
K C Dolan (resigned 30 May 2017)
A J Formica,
R D Gillingwater (resigned 30 May 2017)
T F How (resigned 30 May 2017)
R C Jeens (resigned 30 May 2017)
A C Seymour-Jackson
R M Thompson
R Weil (appointed 29 September 2017)

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

DIRECTORS' INDEMNITY

Janus Henderson Group plc provides a deed of indemnity to the Directors to the extent permitted by United Kingdom law whereby Janus Henderson Group plc is able to indemnify a director against any liability incurred in proceedings in which the Director is successful, and against the cost of successfully applying to the court to be excused for breach of duty where the Director acted honestly and reasonably. The indemnity has been in force for the year to 31 December 2017 and up to the date of approval of the report and financial statements.

GOING CONCERN

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis for the preparation of the annual financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's risk management framework helps the Group meet its business objectives within acceptable risk parameters and it is reviewed regularly to early identify new and emerging risks. The Group's culture embeds the management of risk at all levels within the organisation. Please refer to the Group Annual Report and Accounts, as set out in note 17, for the major risks affecting the Group.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the Auditors are unaware. Each Director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

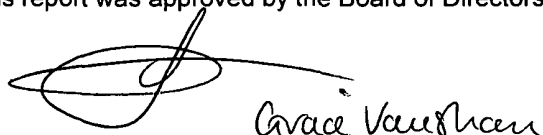
EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no significant events affecting the Company since the year end.

INDEPENDENT AUDITOR

It is the intention of the Directors to reappoint the Auditors under the deemed appointment rules of section 487 of the Companies Act 2006.

This report was approved by the Board of Directors on 21 May 2018 and signed by order of the Board by:



Henderson Secretarial Services Limited
Secretary

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**


The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS101').

Under Company law the Directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


R M Thompson
Director
21 May 2018

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Henderson Group Holdings Asset Management Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the income statement and the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GROUP HOLDINGS ASSET
MANAGEMENT LIMITED**

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

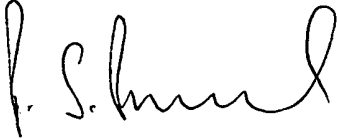
We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GROUP HOLDINGS ASSET
MANAGEMENT LIMITED



Parwinder Purewal (Senior statutory auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
More London
London
SE1 2RT
21 May 2018

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED
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**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £000	2016 £000
Dividends received from subsidiary undertakings		22,000	118,800
Finance income		71	81
Finance expense	7	(2)	(7)
Profit before tax		22,069	118,874
Taxation	8	-	-
Profit for the year		22,069	118,874

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £000	2016 £000
Profit for the year	22,069	118,874
Total comprehensive income for the year	22,069	118,874

The notes on pages 10 to 22 form part of these financial statements.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED
REGISTERED NUMBER: 8231660

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	2017 £000	2016 £000
Non-current assets			
Investments	9	1,398,370	1,398,370
Current assets			
Trade and other receivables	10	5,515	5,938
Total assets		<u>1,403,885</u>	<u>1,404,308</u>
Current liabilities			
Trade and other payables	11	-	(492)
Total liabilities		<u>-</u>	<u>(492)</u>
Net assets		<u>1,403,885</u>	<u>1,403,816</u>
Capital and reserves			
Ordinary share capital	13	125	125
Share premium		847,063	847,063
Profit and loss account		556,697	556,628
Total equity		<u>1,403,885</u>	<u>1,403,816</u>

The financial statements were approved and authorised for issue by the Board on 21 May 2018 and were signed on its behalf by:


R M Thompson
 Director

The notes on pages 10 to 22 form part of these financial statements.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Ordinary share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
At 1 January 2017	125	847,063	556,628	1,403,816
Comprehensive income for the year				
Profit for the year	-	-	22,069	22,069
Contributions by and distributions to owners				
Dividends paid	-	-	(22,000)	(22,000)
At 31 December 2017	125	847,063	556,697	1,403,885

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Ordinary share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
At 1 January 2016	125	847,063	556,554	1,403,742
Comprehensive income for the year				
Profit for the year	-	-	118,874	118,874
Contributions by and distributions to owners				
Dividends paid	-	-	(118,800)	(118,800)
At 31 December 2016	125	847,063	556,628	1,403,816

The notes on pages 10 to 22 form part of these financial statements.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006.

The Company financial statements are presented in GBP and all values are rounded to the nearest thousand pounds, except when otherwise indicated. The Company is a private limited company incorporated and domiciled in the UK.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. In the process of applying the Company's accounting policies, management has made significant judgements involving estimations and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The Company is a wholly owned subsidiary of its immediate and ultimate parent, Janus Henderson Group plc. The Company's results form part of the consolidated financial statements of Janus Henderson Group plc which are publically available, see note 17. Therefore the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

1.2 FINANCIAL REPORTING STANDARD 101 REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

1.3 GOING CONCERN

The financial statements have been prepared on a going concern basis.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. ACCOUNTING POLICIES (CONTINUED)

1.4 FINANCE INCOME AND EXPENSE

Interest income and finance expense is recognised as it accrues using the effective interest rate method.

Other investment income, including dividends receivable from subsidiaries, is recognised on the date that the right to receive payment has been established.

1.5 INCOME TAX

The Company provides for current tax expense according to the tax laws in each jurisdiction in which it operates, using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Income tax relating to items recognised in the Statement of Comprehensive Income and Statement of Changes in Equity is also recognised in the respective statement and not in the Income Statement.

1.6 INVESTMENTS

Investments consist of investments in subsidiary undertakings and are held at cost less any impairment in value where circumstances indicate that the carrying value may not be recoverable.

1.7 FINANCIAL ASSETS

Trade and other receivables are initially recognised at fair value, normally equivalent to the invoice amount. When the time value of money is material, the fair value is discounted. Provision for specific doubtful debts is made when there is evidence that the Company may not be able to recover balances in full. Balances are written off when the receivable amount is deemed irrecoverable.

1.8 FINANCIAL LIABILITIES

Financial liabilities including trade and other payables but excluding provisions and derivative financial instruments are stated at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. ACCOUNTING POLICIES (CONTINUED)

1.9 SHARE CAPITAL

The Company's ordinary shares of 12.5 pence each are classified as equity instruments. Shares issued by the Company are recorded at the fair value of the proceeds received or the market price on the day of issue. Direct issue costs, net of tax, are deducted from equity through share premium.

1.10 DIVIDEND RECOGNITION

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are declared as a deduction from equity.

**2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

In the process of applying the Company's accounting policies, management has made the below significant judgement involving estimations and assumptions.

Impairment of investments

Investments are reviewed for impairment at each reporting date or more frequently if there are indicators that the carrying value is impaired. Management also exercises judgement in determining whether a decrease in the value of an asset meets the prolonged and significant test.

3. AUDITORS' REMUNERATION

Auditors remuneration of £6,291 (2016: £5,525) and £30,000 (2016: £20,000) in respect of the audit of the Company's financial statements and audit related assurance services respectively is borne by a fellow Group undertaking.

In the relation to the Company's direct and indirect subsidiaries, auditors remuneration of £720,911 (2016: £583,276), in respect of statutory audit fees was also borne by a fellow Group undertaking.

4. EMPLOYEES

The Company did not have employees during the current and prior year. The UK group employees' contracts of employment are with Henderson Administration Limited, a Group undertaking, and staff costs are disclosed in that company's financial statements.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. DIRECTORS' REMUNERATION

The Directors of the Company were employed and remunerated as directors and executives of the Group in respect of their services to the Group as a whole. The Directors believe that it is not practicable to apportion part of their remuneration to their services as Directors of the Company.

All Directors except R M Thompson were also Directors of Janus Henderson Group plc during the year and particulars of their remuneration for the period that they were Directors are set out in the Group's Annual Report and Accounts as described in note 17.

The Directors are all paid by Henderson Administration Limited and further details of remuneration paid to the Directors are set out in the financial statements of that entity.

Total emoluments for the Directors of the Company are presented as follows:

	2017	2016
	£000	£000
Total emoluments to Company Directors	10,683	4,534
Emoluments paid to highest paid Director	5,813	1,950
Pension Contributions made in respect of the highest paid Director	50	45
Money Purchase Pension Scheme contributions	99	92

Emoluments comprise salaries, bonuses and other employee benefits.

The number of Directors accruing benefits under pension schemes during the year was:

	2017	2016
Money Purchase Pension Scheme	<u>4</u>	<u>3</u>

During the year four of the Directors of the Company exercised share options (2016: three). Eight Directors of the Company received shares under the Group's Long Term Incentive Plan ("LTIP") (2016: three).

The highest paid Director of the Company was awarded shares under the Group's long term incentive schemes and exercised options during 2017 and 2016.

6. FINANCE INCOME

Interest receivable on balances due from Group undertakings	<u>71</u>	<u>81</u>
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HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. FINANCE EXPENSE

	2017	2016
	£000	£000
Interest payable on balances due to Group undertakings	<u>2</u>	<u>7</u>

8. TAXATION

	2017	2016
	£000	£000
CURRENT TAX		
Charge for the year	<u>-</u>	<u>-</u>
TOTAL CURRENT TAX	<u>-</u>	<u>-</u>

FACTORS AFFECTING TAX CREDIT FOR THE YEAR

The UK corporation tax rate applicable for the year is 19.25% (2016: 20%). The tax assessed to the Company for the year is lower (2016: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2017	2016
	£000	£000
Profit before tax	<u>22,069</u>	<u>118,874</u>
Tax charge at the UK corporation tax rate of 19.25% (2016: 20%)	4,248	23,775
EFFECTS OF:		
Income not taxable for tax purposes	(4,235)	(23,760)
Group relief claimed for nil consideration and worldwide debt cap adjustments	<u>(13)</u>	<u>(15)</u>
TOTAL TAX CHARGE FOR THE YEAR	<u>-</u>	<u>-</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Reductions in the UK corporation tax rate from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020 have been substantively enacted. These tax rate changes will affect the Company's current tax charge or credit in future years.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INVESTMENTS

	Investments in subsidiary companies £000
COST OR VALUATION	
At 1 January 2017	1,398,370
At 31 December 2017	1,398,370
NET BOOK VALUE	
At 31 December 2017	1,398,370
At 31 December 2016	1,398,370

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings (direct* and indirect) of the Company as at 31 December 2017:

Name	Functional Currency	Percentage of share owned 2017	Principal activity
SUBSIDIARY GROUP A			
Alphagen Capital Limited	GBP	100 %	Investment management services
Gartmore Investment Limited	GBP	100 %	Investment management services
Gartmore Investment Management Limited	GBP	100 %	Holding company
Gartmore Investment Services Limited	GBP	100 %	Holding company
Henderson Administration Limited	GBP	100 %	Administrative services
Henderson Alternative Investment Advisor Limited	GBP	100 %	Holding company
Henderson Asset Management Limited	GBP	100 %	Holding company
Henderson Equity Partners Limited	GBP	100 %	Investment management services
Henderson Fund Management Limited	GBP	100 %	Investment management services
Henderson Global Investors (Holdings) Limited	GBP	100 %	Holding company
Henderson Global Investors Asset Management Limited	GBP	100 %	Holding company

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INVESTMENTS (CONTINUED)

Henderson Global Investors Geneva Finance Limited	USD	100 %	Holding company
Henderson Global Investors Limited	GBP	100 %	Investment management services
Henderson Holdings Group Limited	GBP	100 %	Holding company
Henderson Holdings Limited	GBP	100 %	Holding company
Henderson Investment Funds Limited	GBP	100 %	Investment management services
Henderson Investment Management Limited	GBP	100 %	Investment management services
Henderson Nominees Limited	GBP	100 %	Dormant company
Henderson Secretarial Services Limited	GBP	100 %	Company secretarial services
Henderson Unit Trusts Limited	GBP	100 %	Dormant company
HEP (GP) Limited	GBP	100 %	General partner
HGI (Investments) Limited	GBP	100 %	Investment holding company
HGI Asset Management Group Limited*	GBP	100 %	Holding company
HGI Group Limited	GBP	100 %	Holding company
HPC Nominees Limited	GBP	100 %	Dormant company
New Star Asset Management Group Limited	GBP	100 %	Holding company
SUBSIDIARY GROUP B			
90 West Asset Management Limited	AUD	100 %	Company in liquidation
H3 Global Advisors Pty Limited	AUD	100 %	Company in liquidation
Henderson AE Pty Limited	AUD	100 %	Company in liquidation
Henderson AFI Pty Limited	AUD	100 %	Company in liquidation
Janus Henderson Global Equity Fund (GHGEF)	AUD	98.3 %	Investment entity
Janus Henderson Global Equity Income Fund - (Australia)	AUD	93.6 %	Investment entity
Janus Henderson Global Fixed Interest Total Return Fund	AUD	61 %	Investment entity
Janus Henderson Investors (Australia) Funds Management Limited	AUD	100 %	Investment management services
Janus Henderson Investors (Australia) Institutional Funds Management Limited	AUD	100 %	Investment management services
Janus Henderson Investors (Australia) Limited	AUD	100 %	Administrative services

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INVESTMENTS (CONTINUED)

SUBSIDIARY GROUP C

Henderson Global Investors (Brand Management) Sarl	GBP	100 %	Intellectual property
Henderson Global Investors Geneva (Luxembourg) Finance SA	USD	100 %	Group financing
Henderson Management SA	USD	100 %	Investment management services
Janus Henderson Global Equity Market Neutral Fund	USD	100 %	Investment entity
Janus Henderson Horizon Emerging Market Corporate Bond Fund	USD	29.5 %	Investment entity
Janus Henderson Horizon Global Corporate Bond Fund	USD	100 %	Investment entity
Janus Henderson Horizon Global Equity Income Fund	USD	34.5 %	Investment entity
Janus Henderson Horizon Global Natural Resources	USD	74.9 %	Investment entity
Janus Henderson Horizon Pan European Dividend Income	EUR	99.8 %	Investment entity
Janus Henderson Horizon Strategic Bond Fund	USD	95 %	Investment entity

SUBSIDIARY GROUP D

CLOF II UK Limited	GBP	100 %	Company in liquidation
G.I.L. Nominees Limited	GBP	100 %	Company in liquidation
H3 Global Advisors Limited	GBP	100 %	Company in liquidation
Henderson Finances	GBP	100 %	Company in liquidation
Henderson UK Finance Limited	GBP	100 %	Company in liquidation
HGI OMP UK Limited	GBP	100 %	Company in liquidation
Oxford Acquisition III Limited	GBP	100 %	Company in liquidation

SUBSIDIARY GROUP E

Henderson Equity Holdings LLC	USD	100 %	Holding company
Henderson Global Investors (North America) Inc	USD	100 %	Investment management services
Henderson Global Investors Equity Planning Inc	USD	100 %	Investment management services
Henderson Global Investors NPC Holdings LLC	USD	100 %	Holding company
Henderson International GP LLC	USD	100 %	General partner
Henderson International Inc	USD	100 %	Holding company

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INVESTMENTS (CONTINUED)

SUBSIDIARY GROUP F

Asia Pacific Equity Partners II L.P. (HAPEP II)	USD	45 %	Partnership for making, monitoring and realising investments
Gartmore Services Limited	GBP	100 %	Professional services
Henderson Equity Partners Funds Limited	GBP	100 %	Investment holding company
Henderson Equity Partners Jersey (GP) Limited	GBP	100 %	General partner

SUBSIDIARY GROUP G

The Alphagen Elnath Fund Limited	USD	32.4 %	Investment entity
The Alphagen Long Short Agriculture Fund Limited	USD	39.3 %	Investment entity
Gartmore Group Limited	GBP	100 %	Holding company

SUBSIDIARY GROUP H

Henderson Global Investors (International Holdings) BV	EUR	100 %	Holding company
Henderson Global Investors BV	EUR	100 %	Marketing services
Henderson Holdings Group BV	GBP	100 %	Holding company

SUBSIDIARY GROUP I

HGP3 Limited	GBP	100 %	Company in liquidation
HGP4 Limited	GBP	100 %	Company in liquidation
HGP5 Limited	GBP	100 %	Company in liquidation

SUBSIDIARY GROUP J

Henderson Equity Partners (GP) Limited	GBP	100 %	General partner
HGP2 Limited	GBP	100 %	General partner

SUBSIDIARY GROUP K

Janus Henderson International Long/Short Equity Fund	USD	78.3 %	Investment entity
Janus Henderson International Small Cap Fund	USD	61 %	Investment entity

SUBSIDIARY GROUP L

Gibran Securities Pty Limited	AUD	100 %	Company in liquidation
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SUBSIDIARY GROUP M

New Star Asset Management (Bermuda) Limited	GBP	100 %	Investment management services
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HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INVESTMENTS (CONTINUED)

SUBSIDIARY GROUP N

UKFP (Asia) Nominees Limited	HKD	100 %	Dormant company
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SUBSIDIARY GROUP O

Henderson Investment Consulting (Beijing) Limited	CNY	100 %	Investment management services
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SUBSIDIARY GROUP P

Henderson Global Investors (Hong Kong) Limited	HKD	100 %	Investment management services
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SUBSIDIARY GROUP Q

Geneva Capital Management LLC	USD	100 %	Investment management services
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SUBSIDIARY GROUP R

Henderson Equity Partners India Private Limited	INR	100 %	Investment management services
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SUBSIDIARY GROUP S

Henderson Global Investors (Ireland) Limited	EUR	100 %	Company in liquidation
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SUBSIDIARY GROUP T

Henderson Global Group Limited	GBP	100 %	Holding company
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SUBSIDIARY GROUP U

Henderson Global Investors (Japan) Limited	JPY	100 %	Investment management services
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SUBSIDIARY GROUP V

Henderson Fund Management (Luxembourg) SA	EUR	100 %	Company in liquidation
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SUBSIDIARY GROUP W

HEP Mauritius Limited	USD	45 %	Investment holding company
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SUBSIDIARY GROUP X

Henderson Global Investors (Singapore) Limited	SGD	100 %	Investment management services
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SUBSIDIARY GROUP Y

Henderson Global Investors (Schweiz) AG	CHF	100 %	Marketing services
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SUBSIDIARY GROUP Z

The AlphaGen Developing Markets Best Ideas Fund LLC	USD	31.4 %	Investment entity
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HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INVESTMENTS (CONTINUED)

The registered offices of the Company's subsidiaries were as follows:

Name	Registered office
Subsidiary Group A	201 Bishopsgate, London EC2M 3AE, UK.
Subsidiary Group B	Level 36, Grosvenor Place, 225 George Street, Sydney NSW 2000, Australia.
Subsidiary Group C	2 Rue de Bitbourg, L-1273 Luxembourg.
Subsidiary Group D	KPMG, 15 Canada Square, London, E14 5GL.
Subsidiary Group E	151 Detroit Street, Denver, CO 80206.
Subsidiary Group F	5th Floor, 37 Esplanade, St Helier, Jersey, JE1 2TR.
Subsidiary Group G	PO Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands.
Subsidiary Group H	Roemer Visscherstraat 43-45, 1054 EW Amsterdam, Netherlands.
Subsidiary Group I	20 Castle Terrace, Edinburgh, EH1 2EG.
Subsidiary Group J	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland.
Subsidiary Group K	84 State Street, Boston, MA 02109.
Subsidiary Group L	Level 47, Suite 4702, 1 Macquarie Place, Sydney, NSW 2000.
Subsidiary Group M	2 Church Street, Hamilton, HM 11, Bermuda.
Subsidiary Group N	PO Box 438 Beaufort House, Road Town, Tortola, British Virgin Islands. Suite 2401-15, China World Office 2, No. 1 Jianguomenwai Avenue, Beijing 100004.
Subsidiary Group O	Suites 1911-1915, One International Finance Centre, 1 Harbour View Street. Hong Kong, Hong Kong.
Subsidiary Group P	100 E. Wisconsin, Suite 2550, Milwaukee, Wisconsin 53202, United States.
Subsidiary Group Q	c/o Budhraj Adlakha & Co., 5/31 W.E.A Karol Bagh, New Delhi, 110 005, India.
Subsidiary Group R	Russell Court, Stokes Place, St. Stephens Green, Dublin, Ireland.
Subsidiary Group S	70 Sir John Rogerson's Quay, Dublin 2, Ireland.
Subsidiary Group T	6-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan.
Subsidiary Group U	c/o Themis Lex Avocats, Partner, 15, Rue du Fort Bourbon, L-1249 Luxembourg.
Subsidiary Group V	Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius.
Subsidiary Group X	One Marina Boulevard, # 28-00, Singapore, 018989.
Subsidiary Group Y	Rennweg 28/Fortunagasse 40, 8001 Zurich, Switzerland.
Subsidiary Group Z	Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808.

In the opinion of the Directors, the aggregate value of the shares in subsidiaries is not less than the amount at which they are stated in the Statement of Financial Position. Where events or changes in circumstances indicate that the carrying amount of investments may not have been recoverable an impairment review is carried out by the Directors of the Company.

No events have been identified which indicated that the carrying value of the investments held were below the recoverable amounts.

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. TRADE AND OTHER RECEIVABLES

	2017	2016
	£000	£000
Amounts owed by Group undertakings	<u>5,515</u>	<u>5,938</u>
	<u>5,515</u>	<u>5,938</u>

Amounts owed by Group undertakings accrue interest at the Bank of England base rate plus 1%.

11. TRADE AND OTHER PAYABLES

	2017	2016
	£000	£000
Amounts owed to Group undertakings	<u>-</u>	<u>492</u>
	<u>-</u>	<u>492</u>

Amounts owed to Group undertakings accrue interest at the Bank of England base rate plus 1%.

12. RESERVES

Share premium

Share premium records the difference between the nominal value of shares issued and the full value of the consideration received or the market price on the day of issue.

Profit and loss account

The profit and loss account comprises:

- results recognised through the Income Statement; and
- dividends paid to equity shareholders.

13. ORDINARY SHARE CAPITAL

	2017	2016
	£000	£000
Authorised, allotted, called up and fully paid		
1,000,100 (2016: 1,000,100) Ordinary shares of £0.125 each	<u>125</u>	<u>125</u>

HENDERSON GROUP HOLDINGS ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

14. DIVIDENDS

	2017	2016
	£000	£000
Interim Dividend (£22.00 per share approved on 26 April 2017)	22,000	-
Interim Dividend (£25.00 per share approved on 27 April 2016)	-	25,000
Interim Dividend (£36.20 per share approved on 24 June 2016)	-	36,200
Interim Dividend (£57.59 per share approved on 13 December 2016)	-	57,600
	<u>22,000</u>	<u>118,800</u>

15. CONTINGENT LIABILITIES

In the normal course of business, the Group is exposed to certain legal or tax matters, which could involve litigation and arbitration, and may result in contingent liabilities. The Directors are not aware of any contingent liabilities requiring disclosure in these financial statements as at 31 December 2017 or 2016.

16. EVENTS AFTER THE END OF THE REPORTING PERIOD

The Board of Directors has not received as at 21 May 2018, being the date the financial statements were approved, any information concerning significant conditions in existence at the reporting date, which have not been reflected in the financial statements as presented.

17. CONTROLLING PARTY

The Company's immediate parent undertaking and the ultimate parent undertaking and controlling party is Janus Henderson Group plc, a company incorporated in Jersey which is the parent undertaking of the smallest and largest group to consolidate these financial statements. A copy of the Group's Annual Report and Accounts for the year ended 31 December 2017 can be obtained from its registered office at 47 Esplanade, St Helier, Jersey, JE1 0BD or its website, www.janushenderson.com.