

Second Quarter 2022 Results Announcement

28 July 2022

Janus Henderson Group plc (ASX:JHG; 'Janus Henderson') today published its second quarter results for the period ended 30 June 2022.

A copy of the Group's Half Year Results Announcement (Appendix 4D) is included below.

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Authorised by:

Michelle Rosenberg, Company Secretary

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About Janus Henderson

Janus Henderson Group is a leading global active asset manager dedicated to helping investors achieve long-term financial goals through a broad range of investment solutions, including equities, fixed income, multi-asset, and alternative asset class strategies.

At 30 June 2022, Janus Henderson had approximately US\$300 billion in assets under management, more than 2,000 employees, and offices in 23 cities worldwide. Headquartered in London, the company is listed on the NYSE and the ASX.

Janus Henderson Group plc Reports Second Quarter 2022 Results

- Solid long-term investment performance, with 50%, 60%, 65%, and 76% of assets under management ('AUM') outperforming relevant benchmarks on a one-, three-, five-, and 10-year basis, respectively, as at 30 June 2022
- AUM decreased 17% to US\$299.7 billion compared to the prior quarter, due to challenged global markets, US dollar appreciation, and net outflows
- Net outflows of US\$(7.8) billion reflect a significant slowdown in intermediary gross sales and investment underperformance in key strategies
- Second quarter 2022 diluted EPS of US\$0.56, or US\$0.63 on an adjusted basis
- Completed US\$56 million of share buybacks during the second quarter 2022, and Board declared a quarterly dividend of US\$0.39 per share

LONDON — Janus Henderson Group plc (NYSE/ASX: JHG; 'Janus Henderson', 'JHG', 'the Group') published its second quarter 2022 results for the period ended 30 June 2022.

Second quarter 2022 operating income was US\$143.9 million compared to US\$124.6 million in the first quarter 2022 and US\$225.0 million in the second quarter 2021. Adjusted operating income, adjusted for one-time, acquisition and transaction related costs, was US\$149.3 million in the second quarter 2022 compared to US\$178.8 million in the first quarter 2022 and US\$269.3 million in the second quarter 2021.

Second quarter 2022 diluted earnings per share of US\$0.56 compared to US\$0.47 in the first quarter 2022 and US\$0.79 in the second quarter 2021. Adjusted diluted earnings per share of US\$0.63 in the second quarter 2022 compared to US\$0.75 in the first quarter 2022 and compared to US\$1.16 in the second quarter 2021.

Ali Dibadj, Chief Executive Officer of Janus Henderson Group plc, stated:

"I am very pleased to be part of the Janus Henderson team. My first few weeks have reaffirmed my belief in the long-term opportunities ahead. I am excited by the talent, client focus, and strong financial foundation that we already have in place.

"As this quarter illustrates, the difficult market environment, mixed investment performance in a few strategies, and loss of market share demonstrate that we have much work to do at Janus Henderson to deliver consistent organic growth with attractive operating margins. I am working with my team to turn the opportunities we see for Janus Henderson into a strategy with a winning execution plan. The foundation for being a premier, truly global active asset manager is here, but it will take time to deliver the full potential of the Company to our clients, shareholders, employees, and all our stakeholders."

RESULTS FOR ANNOUNCEMENT TO THE MARKET

These results for announcement to the market include the interim information required to be provided to the Australian Securities Exchange (ASX) under Listing Rule 4.2A and Appendix 4D.

SUMMARY OF FINANCIAL RESULTS (unaudited) (in US\$ millions, except per share data or as noted)

The Group presents its financial results in US\$ and in accordance with accounting principles generally accepted in the United States of America ('US GAAP' or 'GAAP'). However, JHG management evaluates the profitability of the Group and its ongoing operations using additional non-GAAP financial measures. Management uses these performance measures to evaluate the business, and adjusted values are consistent with internal management reporting. See 'Reconciliation of non-GAAP financial information' below for additional information.

	Six months ended		
	30 Jun 2022	30 Jun 2021	% change
GAAP basis:			
Revenue	1,175.5	1,382.4	(15)%
Operating expenses	907.0	964.9	(6)%
Operating income	268.5	417.5	(36)%
Operating margin	22.8 %	30.2 %	(7.4)ppt
Net income attributable to JHG	172.6	292.8	(41)%
Diluted earnings per share	1.03	1.67	(38)%

Adjusted basis:			
Revenue	905.9	1,120.2	(19)%
Operating expenses	577.8	649.4	(11)%
Operating income	328.1	470.8	(30)%
Operating margin	36.2 %	42.0 %	(5.8)ppt
Net income attributable to JHG	230.7	362.0	(36)%
Diluted earnings per share	1.37	2.07	(34)%

	Three months ended		
	30 Jun 2022	31 Mar 2022	30 Jun 2021
GAAP basis:			
Revenue	555.5	620.0	738.4
Operating expenses	411.6	495.4	513.4
Operating income	143.9	124.6	225.0
Operating margin	25.9 %	20.1 %	30.5 %
Net income attributable to JHG	93.9	78.7	137.3
Diluted earnings per share	0.56	0.47	0.79

Adjusted basis:			
Revenue	427.7	478.2	603.6
Operating expenses	278.4	299.4	334.3
Operating income	149.3	178.8	269.3
Operating margin	34.9 %	37.4 %	44.6 %
Net income attributable to JHG	104.9	125.8	200.5
Diluted earnings per share	0.63	0.75	1.16

DIVIDEND AND SHARE BUYBACK

On 27 July 2022, the Board declared a second quarter dividend in respect of the three months ended 30 June 2022 of US\$0.39 per share. Shareholders on the register on the record date of 8 August 2022 will be paid the dividend on 24 August 2022. Janus Henderson does not offer a dividend reinvestment plan.

As part of the US\$200 million on-market buyback programme approved by the Board in May 2022, JHG purchased approximately 2.1 million of its ordinary shares on the New York Stock Exchange ('NYSE') and its CHESS Depositary Interests ('CDIs') on the Australian Securities Exchange ('ASX') in the second quarter, for a total outlay of US\$56 million.

Net tangible assets per share

US\$	30 Jun 2022	30 Jun 2021
Net tangible assets / (liabilities) per ordinary share	3.82	3.56

Net tangible assets are defined by the ASX as being total assets less intangible assets less total liabilities ranking ahead of, or equally with, claims of ordinary shares.

AUM AND FLOWS (in US\$ billions)

FX reflects movement in AUM resulting from changes in foreign currency rates as non-US\$ denominated AUM is translated into US\$. Redemptions include impact of client switches.

Total Group comparative AUM and flows

	Three months ended		
	30 Jun 2022	31 Mar 2022	30 Jun 2021
Opening AUM	361.0	432.3	405.1
Sales	16.4	17.9	18.4
Redemptions	(24.2)	(29.8)	(20.9)
Net sales / (redemptions)	(7.8)	(11.9)	(2.5)
Market / FX	(53.5)	(31.1)	25.0
Reclassifications and disposals ¹	—	(28.3)	—
Closing AUM	299.7	361.0	427.6

¹ Disposals relate to the sale of Intech, and reclassifications relate to a reclassification of existing funds from Quantitative Equities to Equities.

Quarterly AUM and flows by capability

	Equities	Fixed Income	Multi-Asset	Alternatives	Total excl Quantitative Equities	Quantitative Equities	Total
AUM 30 Jun 2021	240.1	80.5	53.2	10.4	384.2	43.4	427.6
Sales	7.5	4.7	2.6	1.1	15.9	0.1	16.0
Redemptions	(10.1)	(4.0)	(1.8)	(0.8)	(16.7)	(4.5)	(21.2)
Net sales / (redemptions)	(2.6)	0.7	0.8	0.3	(0.8)	(4.4)	(5.2)
Market / FX	(1.3)	(1.7)	(0.1)	(0.1)	(3.2)	0.1	(3.1)
AUM 30 Sep 2021	236.2	79.5	53.9	10.6	380.2	39.1	419.3
Sales	8.1	5.6	4.3	1.2	19.2	0.1	19.3
Redemptions	(11.3)	(5.5)	(2.2)	(1.2)	(20.2)	(4.3)	(24.5)
Net sales / (redemptions)	(3.2)	0.1	2.1	—	(1.0)	(4.2)	(5.2)
Market / FX	11.3	—	3.7	0.1	15.1	3.1	18.2
AUM 31 Dec 2021	244.3	79.6	59.7	10.7	394.3	38.0	432.3
Sales	8.5	6.0	2.3	0.9	17.7	0.2	17.9
Redemptions	(12.3)	(6.0)	(4.5)	(1.1)	(23.9)	(5.9)	(29.8)
Net sales / (redemptions)	(3.8)	—	(2.2)	(0.2)	(6.2)	(5.7)	(11.9)
Market / FX	(20.5)	(4.1)	(3.6)	(0.2)	(28.4)	(2.7)	(31.1)
Reclassification and disposals ¹	1.3	—	—	—	1.3	(29.6)	(28.3)
AUM 31 Mar 2022	221.3	75.5	53.9	10.3	361.0	—	361.0
Sales	5.5	4.9	1.6	4.4	16.4	—	16.4
Redemptions	(11.3)	(8.2)	(2.5)	(2.2)	(24.2)	—	(24.2)
Net sales / (redemptions)	(5.8)	(3.3)	(0.9)	2.2	(7.8)	—	(7.8)
Market / FX	(38.5)	(7.7)	(6.5)	(0.8)	(53.5)	—	(53.5)
AUM 30 Jun 2022	177.0	64.5	46.5	11.7	299.7	—	299.7

¹ Disposals relate to the sale of Intech, and reclassifications relate to a reclassification of existing funds from Quantitative Equities to Equities.

Average AUM by capability

	Three months ended		
	30 Jun 2022	31 Mar 2022	30 Jun 2021
Equities	197.0	222.9	235.3
Fixed Income	68.8	77.5	80.7
Multi-Asset	49.5	54.5	51.8
Quantitative Equities	—	31.2	42.9
Alternatives	13.2	10.6	10.1
Total	328.5	396.7	420.8

INVESTMENT PERFORMANCE

% of AUM outperforming benchmark (at 30 June 2022)

Capability	1-year	3-year	5-year	10-year
Equities	41 %	43 %	47 %	63 %
Fixed Income	45 %	79 %	93 %	99 %
Multi-Asset	93 %	95 %	95 %	99 %
Alternatives	31 %	100 %	100 %	100 %
Total	50 %	60 %	65 %	76 %

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

Cash management vehicles, ETF-enhanced beta strategies, Managed CDOs, Private Equity funds, and custom non-discretionary accounts with no corresponding composite are excluded from the analysis. Performance across all time periods excludes Intech, the sale of which was completed 31 March 2022. Excluded assets represent 5% of AUM as at 30 June 2022. Capabilities defined by Janus Henderson.

% of mutual fund AUM in top 2 Morningstar quartiles (at 30 June 2022)

Capability	1-year	3-year	5-year	10-year
Equities	56 %	52 %	71 %	88 %
Fixed Income	45 %	68 %	81 %	84 %
Multi-Asset	98 %	95 %	92 %	96 %
Alternatives	62 %	95 %	70 %	100 %
Total	63 %	64 %	76 %	90 %

Includes Janus Investment Fund, Janus Aspen Series and Clayton Street Trust (US Trusts), Janus Henderson Capital Funds (Dublin based), Dublin and UK OEIC and Investment Trusts, Luxembourg SICAVs, and Australian Managed Investment Schemes. Performance across all time periods excludes Intech, the sale of which was completed 31 March 2022. The top two Morningstar quartiles represent funds in the top half of their category based on total return. For the 1-, 3-, 5-, and 10-year periods ending 30 June 2022, 55%, 54%, 57%, and 69% of the 186, 179, 174, and 148 total mutual funds, respectively, were in the top 2 Morningstar quartiles.

Analysis based on 'primary' share class (Class I Shares, Institutional Shares or share class with longest history for US Trusts; Class A Shares or share class with longest history for Dublin based; primary share class as defined by Morningstar for other funds). Performance may vary by share class. Rankings may be based, in part, on the performance of a predecessor fund or share class and are calculated by Morningstar using a methodology that differs from that used by Janus Henderson. Methodology differences may have a material effect on the return and therefore the ranking. When an expense waiver is in effect, it may have a material effect on the total return, and therefore the ranking for the period.

ETFs and funds not ranked by Morningstar are excluded from the analysis. Capabilities defined by Janus Henderson. © 2022 Morningstar, Inc. All Rights Reserved.

THIRD QUARTER 2022 RESULTS

Janus Henderson intends to publish its third quarter 2022 results on 27 October 2022.

SECOND QUARTER 2022 RESULTS BRIEFING INFORMATION

Chief Executive Officer Ali Dibadj and Chief Financial Officer Roger Thompson will present these results on 28 July 2022 on a conference call and webcast to be held at 8am EDT, 1pm BST, 10pm AEST.

Those wishing to participate should call:

United Kingdom	0808 189 6484 (toll free)
United States	844 200 6205 (toll free)
Australia	02 7908 3093 (this is not toll free)
All other countries	+1 929 526 1599 (this is not toll free)
<i>Conference ID</i>	<i>823583</i>

Access to the webcast and accompanying slides will be available via the investor relations section of Janus Henderson's website (ir.janushenderson.com).

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FINANCIAL DISCLOSURES

Condensed consolidated statements of comprehensive income (unaudited)

(in US\$ millions, except per share data or as noted)	Three months ended		
	30 Jun 2022	31 Mar 2022	30 Jun 2021
Revenue:			
Management fees	453.6	514.0	544.1
Performance fees	(3.4)	(8.4)	77.4
Shareowner servicing fees	56.3	62.4	64.0
Other revenue	49.0	52.0	52.9
Total revenue	555.5	620.0	738.4
Operating expenses:			
Employee compensation and benefits	145.0	164.6	192.4
Long-term incentive plans	40.7	51.4	49.8
Distribution expenses	127.8	141.8	134.8
Investment administration	10.3	14.8	13.1
Marketing	7.8	7.4	6.7
General, administrative and occupancy	72.3	73.1	65.7
Impairment of goodwill and intangible assets	—	32.8	40.8
Depreciation and amortisation	7.7	9.5	10.1
Total operating expenses	411.6	495.4	513.4
Operating income	143.9	124.6	225.0
Interest expense	(3.2)	(3.2)	(3.2)
Investment gains (losses), net	(109.4)	(32.2)	1.8
Other non-operating expenses, net	(1.7)	(7.8)	(2.7)
Income before taxes	29.6	81.4	220.9
Income tax provision	(36.7)	(22.8)	(79.7)
Net income (loss)	(7.1)	58.6	141.2
Net loss (income) attributable to noncontrolling interests	101.0	20.1	(3.9)
Net income attributable to JHG	93.9	78.7	137.3
Less: allocation of earnings to participating stock-based awards	(2.9)	(2.0)	(3.9)
Net income attributable to JHG common shareholders	91.0	76.7	133.4
Basic weighted-average shares outstanding (<i>in millions</i>)	161.9	164.0	167.6
Diluted weighted-average shares outstanding (<i>in millions</i>)	162.2	164.5	168.1
Diluted earnings per share (<i>in US\$</i>)	0.56	0.47	0.79

Reconciliation of non-GAAP financial information

In addition to financial results reported in accordance with GAAP, we compute certain financial measures using non-GAAP components, as defined by the SEC. These measures are not in accordance with, or a substitute for, GAAP, and our financial measures may be different from non-GAAP financial measures used by other companies. We have provided a reconciliation of our non-GAAP components to the most directly comparable GAAP components. The following are reconciliations of US GAAP revenue, operating expenses, operating income, net income attributable to JHG, and diluted earnings per share to adjusted revenue, adjusted operating expenses, adjusted operating income, adjusted net income attributable to JHG, and adjusted diluted earnings per share.

(in US\$ millions, except per share data or as noted)	Three months ended		
	30 Jun 2022	31 Mar 2022	30 Jun 2021
Reconciliation of revenue to adjusted revenue			
Revenue	555.5	620.0	738.4
Management fees ¹	(50.9)	(57.0)	(49.6)
Shareowner servicing fees ¹	(46.9)	(52.2)	(53.1)
Other revenue ¹	(30.0)	(32.6)	(32.1)
Adjusted revenue	427.7	478.2	603.6
Reconciliation of operating expenses to adjusted operating expenses			
Operating expenses	411.6	495.4	513.4
Long-term incentive plans ²	(3.6)	(13.0)	0.1
Distribution expenses ¹	(127.8)	(141.8)	(134.8)
General, administration and occupancy ²	(1.1)	(6.5)	(1.7)
Impairment of goodwill and intangible assets ³	—	(32.8)	(40.8)
Depreciation and amortisation ³	(0.7)	(1.9)	(1.9)
Adjusted operating expenses	278.4	299.4	334.3
Adjusted operating income	149.3	178.8	269.3
Operating margin	25.9 %	20.1 %	30.5 %
Adjusted operating margin	34.9 %	37.4 %	44.6 %
Reconciliation of net income attributable to JHG to adjusted net income attributable to JHG			
Net income attributable to JHG	93.9	78.7	137.3
Long-term incentive plans ²	3.6	13.0	(0.1)
General, administration and occupancy ²	1.1	6.5	1.7
Impairment of goodwill and intangible assets ³	—	32.8	40.8
Depreciation and amortisation ³	0.7	1.9	1.9
Other non-operating income (expense), net ⁴	5.3	7.5	(1.7)
Income tax benefit (provision) ⁵	0.3	(14.6)	20.6
Adjusted net income attributable to JHG	104.9	125.8	200.5
Less: allocation of earnings to participating stock-based awards	(3.3)	(3.2)	(5.7)
Adjusted net income attributable to JHG common shareholders	101.6	122.6	194.8
Weighted-average diluted common shares outstanding – diluted (two class) (in millions)	162.2	164.5	168.1
Diluted earnings per share (two class) (in US\$)	0.56	0.47	0.79
Adjusted diluted earnings per share (two class) (in US\$)	0.63	0.75	1.16

¹ JHG contracts with third-party intermediaries to distribute and service certain of its investment products. Fees for distribution and servicing related activities are either provided for separately in an investment product's prospectus or are part of the management fee. Under both arrangements, the fees are collected by JHG and passed through to third-party intermediaries who are responsible for performing the applicable services. The majority of distribution and servicing fees collected by JHG are passed through to third-party intermediaries. JHG management believes that the deduction of distribution and service fees from revenue in the computation of adjusted revenue reflects the pass-through nature of these revenues. In certain arrangements, JHG performs the distribution and servicing activities and retains the applicable fees. Revenues for distribution and servicing activities performed by JHG are not deducted from GAAP revenue.

² Adjustments for the three months ended 30 June 2022 consist primarily of long-term incentive plan expense acceleration related to the departure of certain employees and rent expense for subleased office space. Adjustments for the three months ended 31 March

2022 consist primarily of long-term incentive plan expense associated with accelerated vesting of awards related to the retirement of our CEO and CIO, deal costs associated with the sale of Intech, and rent expense for subleased office space. JHG management believes these costs are not representative of the ongoing operations of the Group.

- ³ Investment management contracts have been identified as a separately identifiable intangible asset arising on the acquisition of subsidiaries and businesses. Such contracts are recognised at the net present value of the expected future cash flows arising from the contracts at the date of acquisition. For segregated mandate contracts, the intangible asset is amortised on a straight-line basis over the expected life of the contracts. In addition, the adjustment for the three months ended 31 March 2022 includes an out-of-period incremental goodwill impairment charge, and the adjustment for the three months ended 30 June 2021 includes an impairment charge of certain mutual fund investment management agreements. JHG management believes these non-cash and acquisition-related costs are not representative of the ongoing operations of the Group.
- ⁴ Adjustments primarily represent contingent consideration adjustments associated with prior acquisitions. In addition, the adjustment for the three months ended 30 June 2022 includes accumulated foreign currency translation expense related to liquidated JHG entities, and the adjustment for the three months ended 31 March 2022 includes a one-time charge related to the sale of Intech. JHG management believes these costs are not representative of the ongoing operations of the Group.
- ⁵ The tax impact of the adjustments is calculated based on the applicable US or foreign statutory tax rate as it relates to each adjustment. Certain adjustments are either not taxable or not tax-deductible.

Condensed consolidated balance sheets (unaudited)

(in US\$ millions)	30 Jun 2022	31 Dec 2021
Assets:		
Cash and cash equivalents	863.1	1,107.3
Investment securities	250.2	451.4
Property, equipment and software, net	52.6	63.3
Intangible assets and goodwill, net	3,715.4	3,917.0
Assets of consolidated variable interest entities	1,093.3	264.3
Other assets	925.0	924.2
Total assets	6,899.6	6,727.5
Liabilities, redeemable noncontrolling interests and equity:		
Long-term debt	308.9	310.4
Deferred tax liabilities, net	606.2	619.2
Liabilities of consolidated variable interest entities	14.6	2.6
Other liabilities	700.8	968.7
Redeemable noncontrolling interests	921.1	163.4
Total equity	4,348.0	4,663.2
Total liabilities, redeemable noncontrolling interests and equity	6,899.6	6,727.5

Condensed consolidated statements of cash flows (unaudited)

(in US\$ millions)	Three months ended		
	30 Jun 2022	31 Mar 2022	30 Jun 2021
Cash provided by (used for):			
Operating activities	162.9	(57.5)	269.0
Investing activities	76.1	(16.9)	(66.3)
Financing activities	(135.9)	(214.8)	(62.0)
Effect of exchange rate changes	(42.8)	(16.0)	—
Net change during period	60.3	(305.2)	140.7

STATUTORY DISCLOSURES

Associates and joint ventures

At 30 June 2022, the Group holds interests in the following associates and joint ventures managed through shareholder agreements with third party investors, accounted for under the equity method:

- LongTail Alpha LLC ownership 20%

Basis of preparation

In the opinion of management of Janus Henderson Group plc, the condensed consolidated financial statements contain all normal recurring adjustments necessary to fairly present the financial position, results of operations, and cash flows of JHG in accordance with US GAAP. Such financial statements have been prepared in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the 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. The financial statements should be read in conjunction with the annual consolidated financial statements and notes presented in Janus Henderson Group's Annual Report on Form 10-K for the year ended 31 December 2021, on file with the SEC (Commission file no. 001-38103). Events subsequent to the balance sheet date have been evaluated for inclusion in the financial statements through the issuance date and are included in the notes to the condensed consolidated financial statements.

Corporate governance principles and recommendations

In the opinion of the Directors, the financial records of the Group have been properly maintained, and the Condensed Consolidated Financial Statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group. This opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

FORWARD-LOOKING STATEMENTS DISCLAIMER

Past performance is no guarantee of future results. Investing involves risk, including the possible loss of principal and fluctuation of value.

This document includes statements concerning potential future events involving Janus Henderson Group plc that could differ materially from the events that actually occur. The differences could be caused by a number of factors, including those factors identified in Janus Henderson Group's Annual Report on Form 10-K for the fiscal year ended 31 December 2021 and in other filings or furnishings made by the Company with the Securities and Exchange Commission from time to time (Commission file no. 001-38103), including those that appear under headings such as 'Risk Factors' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations'. Many of these factors are beyond the control of JHG and its management. Any forward-looking statements contained in this document are as at the date on which such statements were made. Janus Henderson Group undertakes no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except as required by law.

Annualised, pro forma, projected, and estimated numbers are used for illustrative purposes only, are not forecasts, and may not reflect actual results.

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Not all products or services are available in all jurisdictions.

Mutual funds in the US are distributed by Janus Henderson Distributors US LLC.

Please consider the charges, risks, expenses, and investment objectives carefully before investing. For a US fund prospectus or, if available, a summary prospectus containing this and other information, please contact your investment professional or call 800.668.0434. Read it carefully before you invest or send money.

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PART I — FINANCIAL INFORMATION
Item 1. Financial Statements

JANUS HENDERSON GROUP PLC
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(U.S. Dollars in Millions, Except Share Data)

	June 30, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 863.1	\$ 1,107.3
Investment securities	250.2	451.4
Fees and other receivables	293.5	351.6
OEIC and unit trust receivables	150.4	84.4
Assets of consolidated VIEs:		
Cash and cash equivalents	10.6	11.3
Investment securities	1,066.9	250.9
Other current assets	15.8	2.1
Other current assets	138.1	150.2
Total current assets	2,788.6	2,409.2
Non-current assets:		
Property, equipment and software, net	52.6	63.3
Intangible assets, net	2,455.7	2,542.7
Goodwill	1,259.7	1,374.3
Retirement benefit asset, net	147.8	165.1
Other non-current assets	195.2	172.9
Total assets	<u>\$ 6,899.6</u>	<u>\$ 6,727.5</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 222.7	\$ 271.6
Current portion of accrued compensation, benefits and staff costs	180.2	420.0
OEIC and unit trust payables	157.1	92.2
Liabilities of consolidated VIEs:		
Accounts payable and accrued liabilities	14.6	2.6
Total current liabilities	574.6	786.4
Non-current liabilities:		
Accrued compensation, benefits and staff costs	29.6	45.7
Long-term debt	308.9	310.4
Deferred tax liabilities, net	606.2	619.2
Retirement benefit obligations, net	4.2	4.8
Other non-current liabilities	107.0	134.4
Total liabilities	1,630.5	1,900.9
Commitments and contingencies (See Note 15)		
REDEEMABLE NONCONTROLLING INTERESTS		
	921.1	163.4
EQUITY		
Common stock, \$1.50 par value; 480,000,000 shares authorized, and 165,657,905 and 169,046,154 shares issued and outstanding as of June 30, 2022, and December 31, 2021, respectively	248.5	253.6
Additional paid-in-capital	3,673.6	3,771.8
Treasury shares, 120,751 and 1,133,934 shares held at June 30, 2022, and December 31, 2021, respectively	(5.9)	(55.1)
Accumulated other comprehensive loss, net of tax	(595.0)	(396.1)
Retained earnings	1,024.0	1,073.6
Total shareholders' equity	4,345.2	4,647.8
Nonredeemable noncontrolling interests	2.8	15.4
Total equity	4,348.0	4,663.2
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 6,899.6</u>	<u>\$ 6,727.5</u>

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

JANUS HENDERSON GROUP PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(U.S. Dollars in Millions, Except per Share Data)

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Revenue:				
Management fees	\$ 453.6	\$ 544.1	\$ 967.6	\$ 1,059.0
Performance fees	(3.4)	77.4	(11.8)	94.4
Shareowner servicing fees	56.3	64.0	118.7	124.8
Other revenue	49.0	52.9	101.0	104.2
Total revenue	555.5	738.4	1,175.5	1,382.4
Operating expenses:				
Employee compensation and benefits	145.0	192.4	309.6	367.0
Long-term incentive plans	40.7	49.8	92.1	103.3
Distribution expenses	127.8	134.8	269.6	262.2
Investment administration	10.3	13.1	25.1	25.7
Marketing	7.8	6.7	15.2	12.9
General, administrative and occupancy	72.3	65.7	145.4	128.7
Impairment of goodwill and intangible assets	-	40.8	32.8	44.4
Depreciation and amortization	7.7	10.1	17.2	20.7
Total operating expenses	411.6	513.4	907.0	964.9
Operating income	143.9	225.0	268.5	417.5
Interest expense	(3.2)	(3.2)	(6.4)	(6.4)
Investment gains (losses), net	(109.4)	1.8	(141.6)	3.4
Other non-operating expenses, net	(1.7)	(2.7)	(9.5)	(2.8)
Income before taxes	29.6	220.9	111.0	411.7
Income tax provision	(36.7)	(79.7)	(59.5)	(122.8)
Net income (loss)	(7.1)	141.2	51.5	288.9
Net loss (income) attributable to noncontrolling interests	101.0	(3.9)	121.1	3.9
Net income attributable to JHG	<u>\$ 93.9</u>	<u>\$ 137.3</u>	<u>\$ 172.6</u>	<u>\$ 292.8</u>
Earnings per share attributable to JHG common shareholders:				
Basic	\$ 0.56	\$ 0.80	\$ 1.03	\$ 1.68
Diluted	\$ 0.56	\$ 0.79	\$ 1.03	\$ 1.67
Other comprehensive income (loss), net of tax:				
Foreign currency translation gains (losses)	\$ (175.5)	\$ 3.2	\$ (222.5)	\$ 6.5
Actuarial gains	0.1	0.2	0.2	0.3
Other comprehensive income (loss), net of tax	(175.4)	3.4	(222.3)	6.8
Other comprehensive income (loss) attributable to noncontrolling interests	23.6	(0.2)	23.4	(1.0)
Other comprehensive income (loss) attributable to JHG	<u>\$ (151.8)</u>	<u>\$ 3.2</u>	<u>\$ (198.9)</u>	<u>\$ 5.8</u>
Total comprehensive income (loss)	\$ (182.5)	\$ 144.6	\$ (170.8)	\$ 295.7
Total comprehensive loss (income) attributable to noncontrolling interests	124.6	(4.1)	144.5	2.9
Total comprehensive income (loss) attributable to JHG	<u>\$ (57.9)</u>	<u>\$ 140.5</u>	<u>\$ (26.3)</u>	<u>\$ 298.6</u>

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

JANUS HENDERSON GROUP PLC

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

	Six months ended	
	June 30,	
	2022	2021
CASH FLOWS PROVIDED BY (USED FOR):		
Operating activities:		
Net income	\$ 51.5	\$ 288.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17.2	20.7
Impairment of goodwill and intangible assets	32.8	44.4
Deferred income taxes	0.4	22.8
Stock-based compensation plan expense	45.8	34.7
Loss on sale of Intech	9.1	-
Investment gains (losses), net	141.6	(3.4)
Contributions to pension plans in excess of costs recognized	0.2	(0.5)
Other, net	9.6	(5.9)
Changes in operating assets and liabilities:		
OEIC and unit trust receivables and payables	(1.1)	(2.9)
Other assets	25.5	(33.5)
Other accruals and liabilities	(227.2)	(70.5)
Net operating activities	105.4	294.8
Investing activities:		
Sales (purchases) of:		
Investment securities, net	3.7	(1.5)
Property, equipment and software	(7.5)	(1.1)
Investment securities by consolidated seeded investment products, net	24.6	(37.5)
Cash received (paid) on settled seed capital hedges, net	44.9	(8.0)
Dividends received from equity-method investments	0.5	1.1
JHG long-term note with Intech	(12.0)	-
Proceeds from sale of Intech	5.0	-
Receipt of contingent consideration payments from sale of subsidiaries	-	4.1
Net investing activities	59.2	(42.9)
Financing activities:		
Proceeds from stock-based compensation plans	2.2	5.5
Purchase of common stock for stock-based compensation plans	(97.0)	(72.0)
Purchase of common stock from Dai-ichi Life and share buyback program	(98.9)	(230.2)
Dividends paid to shareholders	(129.8)	(126.7)
Distributions to noncontrolling interests	(1.0)	(0.3)
Third-party sales (purchases) in consolidated seeded investment products, net	(25.4)	39.5
Principal payments under capital lease obligations	(0.8)	(0.3)
Net financing activities	(350.7)	(384.5)
Cash and cash equivalents:		
Effect of foreign exchange rate changes	(58.8)	1.8
Net change	(244.9)	(130.8)
At beginning of period	1,118.6	1,108.1
At end of period	\$ 873.7	\$ 977.3
Supplemental cash flow information:		
Cash paid for interest	\$ 7.3	\$ 7.3
Cash paid for income taxes, net of refunds	\$ 92.8	\$ 113.1
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 863.1	\$ 966.9
Cash and cash equivalents held in consolidated VIEs	10.6	10.4
Total cash and cash equivalents	\$ 873.7	\$ 977.3

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

JANUS HENDERSON GROUP PLC

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Amounts in Millions)

	Number of shares	Common stock	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Nonredeemable noncontrolling interests	Total equity
Three months ended June 30, 2022								
Balance at April 1, 2022	167.8	\$ 251.7	\$ 3,684.9	\$ (40.3)	\$ (443.2)	\$ 1,048.0	\$ 2.8	\$ 4,503.9
Net income	—	—	—	—	—	93.9	—	93.9
Other comprehensive loss	—	—	—	—	(151.8)	—	—	(151.8)
Dividends paid to shareholders (\$0.39 per share)	—	—	—	—	—	(65.5)	—	(65.5)
Purchase of common stock for share buyback program	(2.1)	(3.2)	—	—	—	(52.4)	—	(55.6)
Purchase of common stock for stock-based compensation plans	—	—	(2.3)	(0.2)	—	—	—	(2.5)
Vesting of stock-based compensation plans	—	—	(34.6)	34.6	—	—	—	—
Stock-based compensation plan expense	—	—	23.9	—	—	—	—	23.9
Proceeds from stock-based compensation plans	—	—	1.7	—	—	—	—	1.7
Balance at June 30, 2022	<u>165.7</u>	<u>\$ 248.5</u>	<u>\$ 3,673.6</u>	<u>\$ (5.9)</u>	<u>\$ (595.0)</u>	<u>\$ 1,024.0</u>	<u>\$ 2.8</u>	<u>\$ 4,348.0</u>

	Number of shares	Common stock	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Nonredeemable noncontrolling interests	Total equity
Three months ended June 30, 2021								
Balance at April 1, 2021	172.3	\$ 258.5	\$ 3,769.0	\$ (104.4)	\$ (321.4)	\$ 937.7	\$ 15.8	\$ 4,555.2
Net income	—	—	—	—	—	137.3	—	137.3
Other comprehensive income	—	—	—	—	3.2	—	—	3.2
Dividends paid to shareholders (\$0.38 per share)	—	—	0.1	—	—	(65.1)	—	(65.0)
Distributions to noncontrolling interests	—	—	—	—	—	—	(0.2)	(0.2)
Fair value adjustments to redeemable noncontrolling interests	—	—	—	—	—	(0.2)	—	(0.2)
Purchase of common stock for stock-based compensation plans	—	—	(10.2)	(0.3)	—	—	—	(10.5)
Vesting of stock-based compensation plans	—	—	(37.1)	37.1	—	—	—	—
Stock-based compensation plan expense	—	—	17.1	—	—	—	—	17.1
Proceeds from stock-based compensation plans	—	—	4.7	—	—	—	—	4.7
Balance at June 30, 2021	<u>172.3</u>	<u>\$ 258.5</u>	<u>\$ 3,743.6</u>	<u>\$ (67.6)</u>	<u>\$ (318.2)</u>	<u>\$ 1,009.7</u>	<u>\$ 15.6</u>	<u>\$ 4,641.6</u>

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

JANUS HENDERSON GROUP PLC

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Amounts in Millions)

	Number of shares	Common stock	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Nonredeemable noncontrolling interests	Total equity
Six months ended June 30, 2022								
Balance at January 1, 2022	169.0	\$ 253.6	\$ 3,771.8	\$ (55.1)	\$ (396.1)	\$ 1,073.6	\$ 15.4	\$ 4,663.2
Net income	—	—	—	—	—	172.6	—	172.6
Other comprehensive loss	—	—	—	—	(198.9)	—	—	(198.9)
Dividends paid to shareholders (\$0.77 per share)	—	—	—	—	—	(129.8)	—	(129.8)
Purchase of common stock from share buyback program	(3.3)	(5.1)	—	—	—	(93.8)	—	(98.9)
Distributions to noncontrolling interests	—	—	—	—	—	—	(1.0)	(1.0)
Sale of Intech	—	—	—	—	—	—	(11.6)	(11.6)
Fair value adjustments to redeemable noncontrolling interests	—	—	—	—	—	1.4	—	1.4
Purchase of common stock for stock-based compensation plans	—	—	(96.4)	(0.6)	—	—	—	(97.0)
Vesting of stock-based compensation plans	—	—	(49.8)	49.8	—	—	—	—
Stock-based compensation plan expense	—	—	45.8	—	—	—	—	45.8
Proceeds from stock-based compensation plans	—	—	2.2	—	—	—	—	2.2
Balance at June 30, 2022	<u>165.7</u>	<u>\$ 248.5</u>	<u>\$ 3,673.6</u>	<u>\$ (5.9)</u>	<u>\$ (595.0)</u>	<u>\$ 1,024.0</u>	<u>\$ 2.8</u>	<u>\$ 4,348.0</u>
Six months ended June 30, 2021								
Balance at January 1, 2021	180.4	\$ 270.6	\$ 3,815.0	\$ (107.3)	\$ (324.0)	\$ 1,062.1	\$ 17.4	\$ 4,733.8
Net income	—	—	—	—	—	292.8	(1.5)	291.3
Other comprehensive income	—	—	—	—	5.8	—	—	5.8
Dividends paid to shareholders (\$0.74 per share)	—	—	0.1	—	—	(126.8)	—	(126.7)
Purchase of common stock from Dai-ichi Life and share buyback program	(8.1)	(12.1)	—	—	—	(218.1)	—	(230.2)
Distributions to noncontrolling interests	—	—	—	—	—	—	(0.3)	(0.3)
Fair value adjustments to redeemable noncontrolling interests	—	—	—	—	—	(0.3)	—	(0.3)
Purchase of common stock for stock-based compensation plans	—	—	(71.4)	(0.6)	—	—	—	(72.0)
Vesting of stock-based compensation plans	—	—	(40.3)	40.3	—	—	—	—
Stock-based compensation plan expense	—	—	34.7	—	—	—	—	34.7
Proceeds from stock-based compensation plans	—	—	5.5	—	—	—	—	5.5
Balance at June 30, 2021	<u>172.3</u>	<u>\$ 258.5</u>	<u>\$ 3,743.6</u>	<u>\$ (67.6)</u>	<u>\$ (318.2)</u>	<u>\$ 1,009.7</u>	<u>\$ 15.6</u>	<u>\$ 4,641.6</u>

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

JANUS HENDERSON GROUP PLC

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 1 — Basis of Presentation and Significant Accounting Policies

Basis of Presentation

In the opinion of management of Janus Henderson Group plc (“JHG,” “the Company,” “we,” “us,” “our” and similar terms), the accompanying unaudited condensed consolidated financial statements contain all normal recurring adjustments necessary to fairly state our financial position, results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Such 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 annual financial statements prepared in accordance with GAAP are not required for interim reporting purposes and have been condensed or omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the annual consolidated financial statements and notes presented in our Annual Report on Form 10-K for the year ended December 31, 2021. Events subsequent to the balance sheet date have been evaluated for inclusion in the accompanying financial statements through the issuance date.

Note 2 — Dispositions

On February 3, 2022, we announced the strategic decision to sell our 97%-owned Quantitative Equities subsidiary, Intech Investment Management LLC (“Intech”), to a consortium composed of Intech management and certain Intech non-executive directors (“Management Buyout”). The Management Buyout is expected to enable both organizations to refocus on their key value propositions: Janus Henderson on providing active, fundamental investing, and Intech on delivering quantitative investment solutions for institutional investors.

On March 31, 2022, the Management Buyout closed and we recognized a \$9.1 million loss on disposal of Intech. The loss is recognized in other non-operating expenses, net on our Condensed Consolidated Statements of Comprehensive Income. Consideration received as part of the Management Buyout included cash proceeds of \$14.9 million (\$9.9 million will be collected in the third quarter 2022); contingent consideration of up to \$17.5 million, which is based on future Intech revenue; and an option agreement with a fair value of \$3.9 million that provides JHG the option to purchase a certain equity stake in Intech at a predetermined price on or before the seventh anniversary of the Management Buyout.

The terms of the transaction also included a \$20.0 million seven-year term note subject to two tranches. The first tranche of \$10.0 million was paid to Intech at closing while the second tranche of \$10.0 million is available to Intech, subject to certain restrictions. In the second quarter of 2022, Intech borrowed an additional \$2.0 million from the second tranche of the term note. With the additional borrowing, the outstanding principle on the note receivable was \$12.0 million payable from Intech as of June 30, 2022. The first tranche of the term note pays interest at 5.5%, while the second tranche pays interest at 6.0%.

JHG and Intech entered into a transition services agreement that provides for continuation of support services to help ensure a seamless transition in operations and continuity in serving Intech’s clients.

Note 3 — Consolidation

Variable Interest Entities

Consolidated Variable Interest Entities

Our consolidated variable interest entities (“VIEs”) as of June 30, 2022, and December 31, 2021, include certain consolidated seeded investment products in which we have an investment and act as the investment manager. Third-party assets held in consolidated VIEs are not available to us or to our creditors. We may not, under any circumstances,

access third-party assets held by consolidated VIEs to use in our operating activities or otherwise. In addition, the investors in these consolidated VIEs have no recourse to the credit of JHG.

As of June 30, 2022, our ownership percentage in a certain seeded investment product was greater than our VIE consolidation threshold, resulting in the consolidation of the fund, and is the primary driver of the significant increase in our consolidated VIE investment securities balance.

Unconsolidated Variable Interest Entities

The following table presents the carrying value of investment securities included on our Condensed Consolidated Balance Sheets pertaining to unconsolidated VIEs (in millions):

	June 30, 2022	December 31, 2021
Unconsolidated VIEs	\$ 1.6	\$ 102.7

Our total exposure to unconsolidated VIEs represents the value of our economic ownership interest in the investment securities.

Voting Rights Entities

Consolidated Voting Rights Entities

The following table presents the balances related to consolidated voting rights entities ("VREs") that were recorded on our Condensed Consolidated Balance Sheets, including our net interest in these products (in millions):

	June 30, 2022	December 31, 2021
Investment securities	\$ 178.1	\$ 179.6
Cash and cash equivalents	15.5	1.3
Other current assets	2.4	0.7
Accounts payable and accrued liabilities	(1.9)	(1.2)
Total	\$ 194.1	\$ 180.4
Redeemable noncontrolling interests in consolidated VREs	(29.5)	(17.5)
JHG's net interest in consolidated VREs	\$ 164.6	\$ 162.9

Third-party assets held in consolidated VREs are not available to us or to our creditors. We may not, under any circumstances, access third-party assets held by consolidated VREs to use in our operating activities or otherwise. In addition, the investors in these consolidated VREs have no recourse to the credit of JHG.

Our total exposure to consolidated VREs represents the value of our economic ownership interest in these seeded investment products.

Unconsolidated Voting Rights Entities

The following table presents the carrying value of investment securities included on our Condensed Consolidated Balance Sheets pertaining to unconsolidated VREs (in millions):

	June 30, 2022	December 31, 2021
Unconsolidated VREs	\$ 13.9	\$ 56.6

Our total exposure to unconsolidated VREs represents the value of our economic ownership interest in the investment securities.

Note 4 — Investment Securities

Our investment securities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	June 30, 2022	December 31, 2021
Seeded investment products:		
Consolidated VIEs	\$ 1,066.9	\$ 250.9
Consolidated VREs	178.1	179.6
Unconsolidated VIEs and VREs	15.5	159.3
Separate accounts	25.8	56.7
Pooled investment funds	—	0.1
Total seeded investment products	1,286.3	646.6
Investments related to deferred compensation plans	19.4	50.3
Other investments	11.4	5.4
Total investment securities	<u>\$ 1,317.1</u>	<u>\$ 702.3</u>

Trading Securities

Net unrealized gains (losses) on investment securities, gross of noncontrolling interests, held as of the three and six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Unrealized gains (losses) on investment securities held at period end	<u>\$ (109.4)</u>	<u>\$ 1.8</u>	<u>\$ (141.6)</u>	<u>\$ 3.4</u>

Investment Gains (Losses), Net

Investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income included the following for the three and six months ended June 30, 2022 and 2021 (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Seeded investment products and hedges, net	\$ (6.7)	\$ (2.6)	\$ (18.2)	\$ 3.0
Third-party ownership interests in seeded investment products	(101.0)	3.9	(121.1)	(4.1)
Long Tail Alpha investment	0.2	(0.2)	1.7	1.9
Deferred equity plan	(0.5)	0.2	(2.0)	2.1
Other	(1.4)	0.5	(2.0)	0.5
Investment gains (losses), net	<u>\$ (109.4)</u>	<u>\$ 1.8</u>	<u>\$ (141.6)</u>	<u>\$ 3.4</u>

Gains and losses attributable to third-party ownership interests in seeded investment products are noncontrolling interests and are not included in net income attributable to JHG.

Cash Flows

Cash flows related to investment securities for the six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Six months ended June 30,			
	2022		2021	
	Purchases and settlements	Sales, settlements and maturities	Purchases and settlements	Sales, settlements and maturities
Investment securities by consolidated seeded investment products	\$ (8.5)	\$ 33.1	\$ (45.4)	\$ 7.9
Investment securities	(40.5)	44.2	(101.6)	100.1

Note 5 — Derivative Instruments

Derivative Instruments Used to Hedge Seeded Investment Products

We maintain an economic hedge program that uses derivative instruments to mitigate against market volatility of certain seeded investments by using index and commodity futures (“futures”), index swaps, total return swaps, and credit default swaps. Foreign currency exposures associated with our seeded investment products are also hedged by using foreign currency forward contracts and swaps.

We were party to the following derivative instruments as of June 30, 2022, and December 31, 2021 (in millions):

	Notional value	
	June 30, 2022	December 31, 2021
Futures	\$ 197.4	\$ 368.7
Credit default swaps	126.2	207.2
Total return swaps	48.1	55.0
Foreign currency forward contracts and swaps	207.2	415.6

The derivative instruments are not designated as hedges for accounting purposes. Changes in fair value of the derivatives are recognized in investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income. The change in fair value of the derivative instruments for the three and six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Futures	\$ 21.6	\$ (8.6)	\$ 37.0	\$ 10.1
Credit default swaps	3.3	(1.1)	5.6	1.1
Total return swaps	28.8	(5.7)	36.2	8.6
Foreign currency forward contracts and swaps	(2.5)	—	(9.5)	(6.1)
Total gains (losses) from derivative instruments	\$ 51.2	\$ (15.4)	\$ 69.3	\$ 13.7

Derivative assets and liabilities are generally recognized on a gross basis and included in other current assets or in accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets. The derivative assets and liabilities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	Fair value	
	June 30, 2022	December 31, 2021
Derivative assets	\$ 16.4	\$ 8.8
Derivative liabilities	2.2	15.5

In addition to using derivative instruments to mitigate against market volatility of certain seeded investments, we also engage in short sales of securities to hedge seed investments. As of June 30, 2022, and December 31, 2021, the fair value of securities sold but not yet purchased was \$0.5 million and \$3.1 million, respectively. The cash received from the short sale and the obligation to repurchase the shares are classified in other current assets and accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets, respectively. Fair value adjustments are recognized in investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income.

Derivative Instruments in Consolidated Seeded Investment Products

Certain of our consolidated seeded investment products utilize derivative instruments to contribute to the achievement of defined investment objectives. These derivative instruments are classified within other current assets or in accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets. Gains and losses on these derivative instruments are classified within investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income.

Our consolidated seeded investment products were party to the following derivative instruments as of June 30, 2022, and December 31, 2021 (in millions):

	Notional value	
	June 30, 2022	December 31, 2021
Futures	\$ 70.5	\$ 190.1
Credit default swaps	3.2	6.1
Total return swaps	6.4	—
Options	0.1	0.1
Foreign currency forward contracts and swaps	232.2	22.1

The derivative assets and liabilities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	Fair value	
	June 30, 2022	December 31, 2021
Derivative assets	\$ 0.8	\$ 0.6
Derivative liabilities	0.4	0.4

Derivative Instruments — Used in Foreign Currency Hedging Program

We maintain a balance sheet foreign currency hedging program (the “Program”) to take reasonable measures to minimize the income statement effects of foreign currency remeasurement of monetary balance sheet accounts. The Program utilizes foreign currency forward contracts and swaps to achieve its objectives, and it is considered an economic hedge for accounting purposes.

The notional value of the foreign currency forward contracts and swaps as of June 30, 2022, and December 31, 2021, is summarized as follows (in millions):

	Notional value	
	June 30, 2022	December 31, 2021
Foreign currency forward contracts and swaps	\$ 62.0	\$ 171.4

The derivative assets and liabilities are generally recognized on a gross basis and included in other current assets or in accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets. The derivative assets and liabilities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	Fair value	
	June 30, 2022	December 31, 2021
Derivative assets	\$ 0.1	\$ 3.2
Derivative liabilities	0.2	—

Changes in fair value of the derivatives are recognized in other non-operating expenses, net on our Condensed Consolidated Statements of Comprehensive Income. Foreign currency remeasurement is also recognized in other non-operating expenses, net on our Condensed Consolidated Statements of Comprehensive Income. The change in fair value of the foreign currency forward contracts and swaps for the three and six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Three months ended		Six months ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Gains (losses) on foreign currency forward contracts and swaps	\$ (0.3)	\$ 0.7	\$ (2.4)	\$ 1.3

Note 6 — Fair Value Measurements

The following table presents assets and liabilities reflected in the financial statements or disclosed in the notes to the financial statements at fair value on a recurring basis as of June 30, 2022 (in millions):

	Fair value measurements using:			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Cash equivalents	\$ 420.3	\$ —	\$ —	\$ 420.3
Investment securities:				
Consolidated VIEs	1,039.4	22.7	4.8	1,066.9
Other investment securities	199.1	50.8	0.3	250.2
Total investment securities	1,238.5	73.5	5.1	1,317.1
Seed hedge derivatives	—	16.4	—	16.4
Derivatives in consolidated seeded investment products	—	0.8	—	0.8
Derivatives used in foreign currency hedging program	—	0.1	—	0.1
Intech option agreement	—	—	3.1	3.1
Intech contingent consideration	—	—	12.3	12.3
Volantis contingent consideration	—	—	0.6	0.6
Total assets	\$ 1,658.8	\$ 90.8	\$ 21.1	\$ 1,770.7
Liabilities:				
Derivatives in consolidated seeded investment products	\$ —	\$ 0.4	\$ —	\$ 0.4
Derivatives used in foreign currency hedging program	—	0.2	—	0.2
Securities sold, not yet purchased	0.5	—	—	0.5
Seed hedge derivatives	—	2.2	—	2.2
Long-term debt ⁽¹⁾	—	302.3	—	302.3
Deferred bonuses	—	—	27.6	27.6
Total liabilities	\$ 0.5	\$ 305.1	\$ 27.6	\$ 333.2

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

The following table presents assets and liabilities reflected in the financial statements or disclosed in the notes to the financial statements at fair value on a recurring basis as of December 31, 2021 (in millions):

	Fair value measurements using:			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Cash equivalents	\$ 585.4	\$ —	\$ —	\$ 585.4
Investment securities:				
Consolidated VIEs	216.8	26.2	7.9	250.9
Other investment securities	424.1	27.3	—	451.4
Total investment securities	640.9	53.5	7.9	702.3
Seed hedge derivatives	—	8.8	—	8.8
Derivatives in consolidated seeded investment products	—	0.6	—	0.6
Derivatives used in foreign currency hedging program	—	3.2	—	3.2
Volantis contingent consideration	—	—	0.9	0.9
Total assets	\$ 1,226.3	\$ 66.1	\$ 8.8	\$ 1,301.2
Liabilities:				
Derivatives in consolidated seeded investment products	\$ —	\$ 0.4	\$ —	\$ 0.4
Securities sold, not yet purchased	3.1	—	—	3.1
Seed hedge derivatives	—	15.5	—	15.5
Long-term debt ⁽¹⁾	—	328.7	—	328.7
Deferred bonuses	—	—	50.5	50.5
Total liabilities	\$ 3.1	\$ 344.6	\$ 50.5	\$ 398.2

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

Level 1 Fair Value Measurements

Our Level 1 fair value measurements consist mostly of investments held by seeded investment products, investments in advised mutual funds, cash equivalents, securities sold, not yet purchased, and investments related to deferred compensation plans with quoted market prices in active markets. The fair value level of consolidated investments held by seeded investment products is determined by the underlying securities of the product. The fair value level of unconsolidated investments held in seeded investment products is determined by the net asset value (“NAV”), which is considered a quoted price in an active market.

Level 2 Fair Value Measurements

Our Level 2 fair value measurements consist mostly of consolidated seeded investment products, derivative instruments, and our long-term debt. The fair value of consolidated seeded investment products is determined by the underlying securities of the product. The fair value of our long-term debt is determined using broker quotes and recent trading activity, which are considered Level 2 inputs.

Level 3 Fair Value Measurements

Investment Securities

As of June 30, 2022, and December 31, 2021, certain securities within consolidated VIEs were valued using significant unobservable inputs, resulting in Level 3 classification.

Intech Option Agreement and Contingent Consideration

On March 31, 2022, we completed the sale of Intech. Consideration received as part of the Management Buyout included contingent consideration of up to \$17.5 million and an option agreement that provides JHG the option to purchase a certain equity stake in Intech at a predetermined price on or before the seventh anniversary of the Management Buyout.

As of June 30, 2022, the fair value of the option agreement and of the Intech contingent consideration was \$3.1 million and \$12.3 million, respectively. Significant unobservable inputs were used to value the call option and contingent consideration, including revenue estimates, discount rate, and volatility.

Deferred Bonuses

Deferred bonuses represent liabilities to employees over the vesting period that will be settled by investments in our products. The significant unobservable inputs used to value the liabilities are investment designations and vesting periods.

Changes in Fair Value

Changes in fair value of our Level 3 assets for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Beginning of period fair value	\$ 23.2	\$ 27.2	\$ 8.8	\$ 31.4
Intech option agreement	(0.8)	—	3.1	—
Contingent consideration from sale of Intech	(0.3)	—	12.3	—
Settlement of contingent consideration	—	(1.8)	—	(4.0)
Fair value adjustments	(0.3)	1.4	(1.8)	(2.5)
Transfers from Level 1	0.5	—	0.5	—
Transfers to Level 1	(2.1)	—	(2.1)	—
Purchases of securities	1.2	0.4	1.0	2.7
Sales of securities	—	(0.7)	(0.3)	(1.1)
Foreign currency translation	(0.3)	—	(0.4)	—
End of period fair value	<u>\$ 21.1</u>	<u>\$ 26.5</u>	<u>\$ 21.1</u>	<u>\$ 26.5</u>

Changes in fair value of our individual Level 3 liabilities for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	Deferred bonuses	Deferred bonuses	Deferred bonuses	Deferred bonuses
Beginning of period fair value	\$ 34.3	\$ 73.6	\$ 50.5	\$ 65.2
Fair value adjustments	(1.0)	2.0	(2.6)	4.3
Vesting of deferred bonuses	(14.4)	(48.2)	(36.0)	(50.7)
Amortization of deferred bonuses	10.8	8.1	19.2	16.1
Foreign currency translation	(2.1)	0.1	(3.5)	0.7
End of period fair value	\$ 27.6	\$ 35.6	\$ 27.6	\$ 35.6

Nonrecurring Fair Value Measurements

Nonrecurring Level 3 fair value measurements include goodwill and intangible assets. We measure the fair value of goodwill and intangible assets on initial recognition using discounted cash flow ("DCF") 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, such measurements are classified as Level 3.

Note 7 — Goodwill and Intangible Assets

The following tables present movements in our intangible assets and goodwill during the six months ended June 30, 2022 and 2021 (in millions):

	December 31, 2021	Amortization	Disposal	Impairment	Foreign currency translation	June 30, 2022
Indefinite-lived intangible assets:						
Investment management agreements	\$ 2,114.8	\$ —	\$ —	\$ —	\$ (38.6)	\$ 2,076.2
Trademarks	366.7	—	(4.7)	—	—	362.0
Definite-lived intangible assets:						
Client relationships	168.4	—	(84.8)	—	(6.0)	77.6
Accumulated amortization	(107.2)	(2.6)	44.7	—	5.0	(60.1)
Net intangible assets	\$ 2,542.7	\$ (2.6)	\$ (44.8)	\$ —	\$ (39.6)	\$ 2,455.7
Goodwill	\$ 1,374.3	\$ —	\$ (7.0)	\$ (32.8)	\$ (74.8)	\$ 1,259.7

	December 31, 2020	Amortization	Disposal	Impairment	Foreign currency translation	June 30, 2021
Indefinite-lived intangible assets:						
Investment management agreements	\$ 2,242.9	\$ —	\$ —	\$ (40.8)	\$ (0.1)	\$ 2,202.0
Trademarks	373.2	—	—	(3.6)	—	369.6
Definite-lived intangible assets:						
Client relationships	170.9	—	—	—	(0.6)	170.3
Accumulated amortization	(100.7)	(3.9)	—	—	—	(104.6)
Net intangible assets	\$ 2,686.3	\$ (3.9)	\$ —	\$ (44.4)	\$ (0.7)	\$ 2,637.3
Goodwill	\$ 1,383.9	\$ —	\$ —	\$ —	\$ 6.0	\$ 1,389.9

Management Buyout of Intech

As detailed in Note 2 — Dispositions, on March 31, 2022, the Management Buyout of Intech closed. As part of this disposition, we removed \$4.7 million and \$40.1 million of trademarks and client relationships, respectively, from our Condensed Consolidated Balance Sheets as these intangible assets were directly connected to Intech. In addition, we also allocated a certain amount of goodwill to Intech, which was also removed from our Condensed Consolidated Balance Sheets as part of the Management Buyout.

Out-of-Period Incremental Goodwill Impairment

In the first quarter 2020, due to the sudden decline of the global financial markets impacting our assets under management (“AUM”), we recognized a \$123.5 million goodwill impairment expense. Subsequent to the first quarter 2020, we identified a \$32.8 million error in which we did not consider the incremental impairment charge related to the tax-deductible goodwill. We have corrected this error in the first quarter 2022 as an out-of-period adjustment, which is reflected in the table above and recorded in goodwill and intangible asset impairment charges on our Condensed Consolidated Statements of Comprehensive Income.

Future Amortization

Expected future amortization expense related to client relationships is summarized below (in millions):

Future amortization	Amount
2022 (remainder of year)	\$ 1.3
2023	2.3
2024	1.0
2025	1.0
2026	1.0
Thereafter	10.9
Total	\$ 17.5

Note 8 — Debt

Our debt as of June 30, 2022, and December 31, 2021, consisted of the following (in millions):

	June 30, 2022		December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
4.875% Senior Notes due 2025	\$ 308.9	\$ 302.3	\$ 310.4	\$ 328.7

4.875% Senior Notes Due 2025

The 4.875% Senior Notes due 2025 (“2025 Senior Notes”) have a principal value of \$300.0 million, pay interest at 4.875% semiannually on February 1 and August 1 of each year, and mature on August 1, 2025. The 2025 Senior Notes include unamortized debt premium, net at June 30, 2022, of \$8.9 million, which will be amortized over the remaining life of the notes. The unamortized debt premium is recorded as a liability within long-term debt on our Condensed Consolidated Balance Sheets. JHG fully and unconditionally guarantees the obligations of Janus Henderson US (Holdings) Inc. in relation to the 2025 Senior Notes.

Credit Facility

At June 30, 2022, we had a \$200 million, unsecured, revolving credit facility (“Credit Facility”). JHG and its subsidiaries may use the Credit Facility for general corporate purposes. The rate of interest for each interest period is the aggregate of the applicable margin, which is based on our long-term credit rating and the Secured Overnight Financing Rate (“SOFR”) in relation to any loan in U.S. dollars (“USD”); the Sterling Overnight Index Average (“SONIA”) in relation to any loan in British pounds (“GBP”); the Euro Interbank Offered Rate (“EURIBOR”) in relation to any loan in euros (“EUR”); or the Bank Bill Swap Rate (“BBSW”) in relation to any loan in Australian dollars (“AUD”). As a result of the phase-out of the London Interbank Offered Rate (“LIBOR”), our Credit Facility was amended to incorporate the SOFR as the successor rate to USD LIBOR and the SONIA as the successor rate to GBP LIBOR. We are required to pay a quarterly commitment fee on any unused portion of the Credit Facility, which is also based on our long-term credit rating. Under the Credit Facility, our financing leverage ratio cannot exceed 3.00x EBITDA. At June 30, 2022, we were in compliance with all covenants contained in, and there were no outstanding borrowings under, the Credit Facility. The maturity date of the Credit Facility is February 16, 2024.

Note 9 — Income Taxes

Our effective tax rates for the three and six months ended June 30, 2022 and 2021, were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Effective tax rate	124.2 %	36.1 %	53.6 %	29.8 %

The effective tax rates for the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021, were impacted by a decrease in pre-tax book income with a significant increase in the disallowed noncontrolling interest loss from a certain seeded investment product, as a result of the consolidation of the fund during the second quarter 2022.

As of June 30, 2022, we had \$18.2 million of unrecognized tax benefits held for uncertain tax positions. We estimate that the existing liability for uncertain tax positions could decrease by up to \$2.3 million within the next 12 months, without giving effect to changes in foreign currency translation.

Note 10 — Noncontrolling Interests

Redeemable Noncontrolling Interests

Redeemable noncontrolling interests as of June 30, 2022, and December 31, 2021, consisted of the following (in millions):

	June 30, 2022	December 31, 2021
Consolidated seeded investment products	\$ 921.1	\$ 148.5
Intech:		
Employee appreciation rights	—	12.6
Founding member ownership interests	—	2.3
Total redeemable noncontrolling interests	\$ 921.1	\$ 163.4

Consolidated Seeded Investment Products

Noncontrolling interests in consolidated seeded investment products are classified as redeemable noncontrolling interests when there is an obligation to repurchase units at the investor's request.

Redeemable noncontrolling interests in consolidated seeded investment products may fluctuate from period to period and are impacted by changes in our relative ownership, 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 any particular seeded product is redeemed from the respective product's net assets and cannot be redeemed from the assets of our other seeded products or from our other assets.

As of June 30, 2022, our ownership percentage in a certain seeded investment product was greater than our VIE consolidation threshold, resulting in the consolidation of the fund, and is the primary driver of the significant increase in our redeemable noncontrolling interests balance.

The following table presents the movement in redeemable noncontrolling interests in consolidated seeded investment products for the three and six months ended June 30, 2022 and 2021 (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Opening balance	\$ 150.7	\$ 83.7	\$ 148.5	\$ 70.6
Changes in market value	(101.0)	3.9	(121.1)	(2.4)
Changes in ownership	895.0	21.5	917.2	40.1
Foreign currency translation	(23.6)	0.1	(23.5)	0.9
Closing balance	\$ 921.1	\$ 109.2	\$ 921.1	\$ 109.2

Nonredeemable Noncontrolling Interests

Nonredeemable noncontrolling interests as of June 30, 2022, and December 31, 2021, were as follows (in millions):

	June 30, 2022	December 31, 2021
Nonredeemable noncontrolling interests in:		
Seed capital investments	\$ 2.8	\$ 2.8
Intech	—	12.6
Total nonredeemable noncontrolling interests	\$ 2.8	\$ 15.4

On March 31, 2022, we completed the sale of our 97%-owned subsidiary, Intech. See Note 2 — Dispositions for further information regarding the sale.

Note 11 — Long-Term Incentive and Employee Compensation

The following table presents restricted stock and mutual fund awards granted during the three and six months ended June 30, 2022 (in millions):

	Three months ended June 30, 2022		Six months ended June 30, 2022	
Restricted stock	\$	6.6	\$	106.6
Mutual fund awards		15.0		113.3
Total	\$	21.6	\$	219.9

Restricted stock and mutual fund awards generally vest and will be recognized using a graded vesting method over a three-year period.

Note 12 — Retirement Benefit Plans

We operate defined contribution retirement benefit plans and defined benefit pension plans.

Our primary defined benefit pension plan is the defined benefit section of the Janus Henderson Group UK Pension Scheme (“JHGPS”).

Net Periodic Benefit Credit (Cost)

The components of net periodic benefit credit (cost) in respect of defined benefit plans for the three and six months ended June 30, 2022 and 2021, include the following (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Service cost	\$ —	\$ (0.3)	\$ —	\$ (0.5)
Interest cost	(4.1)	(2.8)	(8.6)	(5.6)
Amortization of prior service cost	(0.1)	(0.1)	(0.2)	(0.2)
Expected return on plan assets	2.7	3.4	7.2	6.7
Net periodic benefit credit (cost)	\$ (1.5)	\$ 0.2	\$ (1.6)	\$ 0.4

Note 13 — Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss, net of tax for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,					
	2022			2021		
	Foreign currency	Retirement benefit asset, net	Total	Foreign currency	Retirement benefit asset, net	Total
Beginning balance	\$ (410.5)	\$ (32.7)	\$ (443.2)	\$ (311.1)	\$ (10.3)	\$ (321.4)
Other comprehensive income (loss)	(182.1)	—	(182.1)	3.2	0.1	3.3
Amounts reclassified from accumulated other comprehensive loss	6.6	0.1	6.7	—	0.1	0.1
Total other comprehensive income (loss)	(175.5)	0.1	(175.4)	3.2	0.2	3.4
Less: other comprehensive loss (income) attributable to noncontrolling interests	23.6	—	23.6	(0.2)	—	(0.2)
Ending balance	<u>\$ (562.4)</u>	<u>\$ (32.6)</u>	<u>\$ (595.0)</u>	<u>\$ (308.1)</u>	<u>\$ (10.1)</u>	<u>\$ (318.2)</u>

	Six months ended June 30,					
	2022			2021		
	Foreign currency	Retirement benefit asset, net	Total	Foreign currency	Retirement benefit asset, net	Total
Beginning balance	\$ (363.3)	\$ (32.8)	\$ (396.1)	\$ (313.6)	\$ (10.4)	\$ (324.0)
Other comprehensive loss	(229.9)	—	(229.9)	10.7	0.1	10.8
Amounts reclassified from accumulated other comprehensive loss	7.4	0.2	7.6	(4.2)	0.2	(4.0)
Total other comprehensive loss	(222.5)	0.2	(222.3)	6.5	0.3	6.8
Less: other comprehensive loss attributable to noncontrolling interests	23.4	—	23.4	(1.0)	—	(1.0)
Ending balance	<u>\$ (562.4)</u>	<u>\$ (32.6)</u>	<u>\$ (595.0)</u>	<u>\$ (308.1)</u>	<u>\$ (10.1)</u>	<u>\$ (318.2)</u>

The components of other comprehensive income (loss), net of tax for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,					
	2022			2021		
	Pre-tax amount	Tax impact	Net amount	Pre-tax amount	Tax impact	Net amount
Foreign currency translation adjustments	\$ (184.1)	\$ 2.0	\$ (182.1)	\$ 2.6	\$ 0.6	\$ 3.2
Retirement benefit asset, net	—	—	—	—	0.1	0.1
Reclassifications to net income	6.7	—	6.7	0.1	—	0.1
Total other comprehensive income (loss)	<u>\$ (177.4)</u>	<u>\$ 2.0</u>	<u>\$ (175.4)</u>	<u>\$ 2.7</u>	<u>\$ 0.7</u>	<u>\$ 3.4</u>

	Six months ended June 30,					
	2022			2021		
	Pre-tax amount	Tax impact	Net Amount	Pre-tax amount	Tax impact	Net Amount
Foreign currency translation adjustments	\$ (233.1)	\$ 3.2	\$ (229.9)	\$ 9.7	\$ 1.0	\$ 10.7
Retirement benefit asset, net	—	—	—	—	0.1	0.1
Reclassifications to net income	7.6	—	7.6	(4.0)	—	(4.0)
Total other comprehensive income (loss)	<u>\$ (225.5)</u>	<u>\$ 3.2</u>	<u>\$ (222.3)</u>	<u>\$ 5.7</u>	<u>\$ 1.1</u>	<u>\$ 6.8</u>

Note 14 — Earnings and Dividends Per Share

Earnings Per Share

The following is a summary of the earnings per share calculation for the three and six months ended June 30, 2022 and 2021 (in millions, except per share data):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net income attributable to JHG	\$ 93.9	\$ 137.3	\$ 172.6	\$ 292.8
Allocation of earnings to participating stock-based awards	(2.9)	(3.9)	(4.9)	(8.6)
Net income attributable to JHG common shareholders	<u>\$ 91.0</u>	<u>\$ 133.4</u>	<u>\$ 167.7</u>	<u>\$ 284.2</u>
Weighted-average common shares outstanding — basic	161.9	167.6	163.0	169.5
Dilutive effect of nonparticipating stock-based awards	0.3	0.5	0.4	0.5
Weighted-average common shares outstanding — diluted	<u>162.2</u>	<u>168.1</u>	<u>163.4</u>	<u>170.0</u>
Earnings per share:				
Basic (two class)	<u>\$ 0.56</u>	<u>\$ 0.80</u>	<u>\$ 1.03</u>	<u>\$ 1.68</u>
Diluted (two class)	<u>\$ 0.56</u>	<u>\$ 0.79</u>	<u>\$ 1.03</u>	<u>\$ 1.67</u>

Dividends Per Share

The payment of cash dividends is within the discretion of our Board of Directors and depends on many factors, including, but not limited to, our results of operations, financial condition, capital requirements, legal requirements, and general business conditions.

The following is a summary of cash dividends declared and paid during the six months ended June 30, 2022:

Dividend per share	Date declared	Dividends paid (in US\$ millions)	Date paid
\$ 0.38	February 2, 2022	\$ 64.3	February 28, 2022
\$ 0.39	May 3, 2022	\$ 65.5	May 31, 2022

On July 27, 2022, our Board of Directors declared a \$0.39 per share dividend for the second quarter 2022. The quarterly dividend will be paid on August 24, 2022, to shareholders of record at the close of business on August 8, 2022.

Note 15 — Commitments and Contingencies

We are periodically involved in various legal proceedings and other regulatory matters. Although there can be no assurances, based on information currently available, we believe that it is probable that the ultimate outcome of matters that are pending or threatened will not have a material effect on our consolidated financial statements.

With respect to the unaudited financial statements of Janus Henderson Group plc as of and for the three-month and six-month periods ended June 30, 2022, appearing herein, PricewaterhouseCoopers LLP (United States) reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated July 28, 2022, appearing herein, states that they did not audit and they do not express an opinion on the unaudited financial statements. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers LLP (United States) is not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited financial statements because that report is not a “report” or a “part” of the registration statement prepared or certified by PricewaterhouseCoopers LLP (United States) within the meaning of Sections 7 and 11 of the Act.



Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Janus Henderson Group plc

Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of Janus Henderson Group plc and its subsidiaries (the “Company”) as of June 30, 2022, and the related condensed consolidated statements of comprehensive income (loss) and of changes in equity for the three-month and six-month periods ended June 30, 2022 and 2021 and the condensed consolidated statements of cash flows for the six month periods ended June 30, 2022 and 2021, including the related notes (collectively referred to as the “interim financial statements”). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Company as of December 31, 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the year then ended (not presented herein), and in our report dated February 24, 2022, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet information as of December 31, 2021 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These interim financial statements are the responsibility of the Company’s management. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ PricewaterhouseCoopers LLP
Denver, Colorado
July 28, 2022