**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART III OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE UK COMPANIES ACT 2006. If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 ("FSMA") or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.**

If you have sold or otherwise transferred all of your shares in Old Henderson Group, please send this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Except where stated otherwise or unless the context requires something different, where the term "Shareholder" (including "Old Henderson Group Shareholder" or "New Henderson Group Shareholder", as the case may be) is used in this document, it refers to a holder of equity regardless of whether the equity is traded on the London Stock Exchange ("LSE") in the form of Ordinary Shares or on the Australian Securities Exchange ("ASX") in the form of CHESS Depositary Interests ("CDIs"). Similarly, where the term "share" or "shareholding" is used in this document, it includes CDIs, where appropriate.

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A prospectus relating to New Henderson Group, prepared in accordance with the Prospectus Rules of the UK Listing Authority made under section 73A of FSMA as amended, is available in electronic form on the Old Henderson Group website at http://go.henderson.com/nhg and in hard copy at Old Henderson Group's registered office. Hard copies are also available upon request by writing to the Old Henderson Group Share Registry at the addresses listed on page 24 of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on JPMorgan Cazenove Limited or UBS Investment Bank by FSMA or the regulatory regime established thereunder, neither JPMorgan Cazenove Limited nor UBS Investment Bank accepts any responsibility whatsoever for the contents of this document or for any statement made or purported to be made by either of them, or on their behalf, in connection with Old Henderson Group, New Henderson Group, Old Henderson Group Ordinary Shares, Old Henderson Group CDIs, New Henderson Group Ordinary Shares, New Henderson Group CDIs or the Proposals. Each of JPMorgan Cazenove Limited and UBS Investment Bank accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which either of them might otherwise have in respect of this document or any such statement.

JPMorgan Cazenove Limited, who is authorised and regulated in the UK by the FSA, and UBS Investment Bank are acting exclusively for Old Henderson Group and New Henderson Group and no-one else in connection with the Proposals described in this document and the listing of the New Henderson Group Ordinary Shares and are not, and will not be, responsible to anyone other than Old Henderson Group and New Henderson Group for providing the protections afforded to clients of JPMorgan Cazenove and UBS Investment Bank, or for providing advice in connection with the Proposals, the listing of the New Henderson Group Ordinary Shares or the contents of this document.

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Henderson Group plc

# Recommended Proposals to establish New Henderson Group as the holding company of Old Henderson Group

## by means of a Scheme of Arrangement under sections 895 to 899 of the UK Companies Act 2006

A letter from the Chairman of Old Henderson Group is set out on pages 7 to 10 of this document. Meetings to consider the Proposals described in this document will be held on 30 September 2008. The Court Meeting will start at 9.00am (London time), 6.00pm (Sydney time) on that date and the General Meeting at 9.30am (London time), 6.30pm (Sydney time) (or as soon thereafter as the Court Meeting concludes or is adjourned). Notices of the meetings to approve the Proposals described in this document are set out in PART VI of this document. A summary of the action Shareholders are recommended to take is set out on page 9 of this document.

If you would like to vote, you may do so either by:

(i) attending and voting at the meetings on 30 September 2008. If you are a CDI holder and wish to attend the meetings, please read the voting instructions in PART VI; or

(ii) appointing someone as your proxy to attend and vote for you at the meetings. To appoint someone, use either the enclosed Proxy Forms/CDI Voting Instruction Forms or go to the Old Henderson Group website at http://go.henderson.com/nhg to appoint someone online. Instructions about how to fill out the forms are set out on the Proxy Forms and CDI Voting Instruction Forms.

There are different voting procedures depending on whether you have Old Henderson Group Ordinary Shares traded on the LSE or Old Henderson Group CDIs traded on the ASX. Please read the voting instructions on pages VI to VII of PART VI carefully to ensure you are aware of the arrangements appropriate for you. Your Proxy Forms or CDI Voting Instruction Forms (either online or paper) need to be lodged so they reach the Old Henderson Group Share Registry by the time and date specified on your forms. If your white Proxy Form (but not CDI Voting Instruction Form) is not lodged, it may be handed to a representative of the Henderson Group's share registrar or the Chairman at the Court Meeting. The white form with the white banner ("white Proxy Form/white CDI Voting Instruction Form") is the Proxy Form/CDI Voting Instruction Form for the Court Meeting and the white form with the purple banner ("purple Proxy Form/purple CDI Voting Instruction Form") is the Proxy Form/CDI Voting Instruction Form for the General Meeting.

Application has been made to the UK Listing Authority for the New Henderson Group Ordinary Shares to be admitted to the Official List and to the LSE for the New Henderson Group Ordinary Shares to be admitted to trading on the LSE's main market for listed securities which, together, under the Listing Rules of the UK Listing Authority, will constitute official listing on a stock exchange. If the Scheme proceeds as presently envisaged, it is expected that dealings in the Old Henderson Group Ordinary Shares will continue until close of business on 31 October 2008 and that Admission to the Official List of the New Henderson Group Ordinary Shares will become effective, and that dealings in New Henderson Group Ordinary Shares on the LSE's main market for listed securities will commence on, 3 November 2008. Similarly, application has been made to the ASX for New Henderson Group to be admitted to the official list of the ASX on 27 October 2008 and for the New Henderson Group CDIs to commence trading on the ASX on a deferred settlement basis on 27 October 2008 until, and including, 7 November 2008. Normal settlement trading of New Henderson Group CDIs is expected to commence on 10 November 2008.

THIS DOCUMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY ANY SECURITY. NONE OF THE SECURITIES REFERRED TO IN THIS DOCUMENT SHALL BE SOLD, ISSUED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

Securities may not be offered or sold in the United States unless they are registered under the US Securities Act of 1933 as amended ("Securities Act"), or exempt from such registration. The New Henderson Group Ordinary Shares and the New Henderson Group CDIs will not be, and are not required to be, registered with the United States Securities and Exchange Commission ("SEC") under the Securities Act, in reliance on the exemption from registration provided by Section 3(a)(10) thereof. **Neither the SEC nor any other US federal or state securities commission or regulatory authority has approved or disapproved the New Henderson Group Ordinary Shares or the New Henderson Group CDIs or passed on the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.**

## INFORMATION FOR UNITED STATES SHAREHOLDERS

In the United States, this document is being furnished to Old Henderson Group Shareholders and registered holders of Old Henderson Group CDIs solely to explain the Proposals and describe the action recommended to be taken by Old Henderson Group Shareholders in relation to the Court Meeting and General Meeting. This document is personal to each Old Henderson Group Shareholder and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire New Henderson Group Ordinary Shares. This document is not an offer of securities for sale in the United States. The New Henderson Group Ordinary Shares to be issued to Old Henderson Group Shareholders in connection with the Scheme will not be, and are not required to be, registered with the SEC under the Securities Act in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) of that act. For the purpose of qualifying for the Section 3(a)(10) exemption with respect to the New Henderson Group Ordinary Shares issued pursuant to the Scheme, Old Henderson Group will advise the Court that it will rely on the Section 3(a)(10) exemption based on the Court's sanctioning of the Scheme, which will be relied upon by Old Henderson Group as an approval of the Scheme following a hearing on its fairness to Old Henderson Group Shareholders at which hearing all such Old Henderson Group Shareholders will be entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been or will be given to all such shareholders.

## NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

### Enforceability of judgments

Old Henderson Group is a public limited company incorporated under the laws of England and Wales and New Henderson Group is a public company limited by shares incorporated under the laws of Jersey. All the Directors of New Henderson Group and Old Henderson Group are citizens or residents of countries other than the United States. Substantially all or a significant portion of the assets of such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or New Henderson Group and/or Old Henderson Group, or to enforce against them judgments of US courts, including judgments predicated upon civil liabilities under the securities laws of the United States or any state or territory within the United States. There is substantial doubt as to the enforceability in the United Kingdom in original actions or in actions for enforcement of judgments of US courts, based on the civil liability provisions of US federal securities laws.

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| Latest time for receipt of CDI Voting Instruction Forms via post and voting instructions via internet (for CDI holders) for the Court Meeting and the General Meeting (if directing CHESS Depositary Nominees Pty Limited "CDN" how to vote on your behalf) | 6.00pm (Sydney time) 26 September 2008 |
| Latest time for receipt of CDI Voting Instruction Forms via post and voting instructions via internet (for CDI holders) for the Court Meeting (if directing CDN to appoint you or someone else as its proxy) | 6.00pm (Sydney time) 28 September 2008 |
| Latest time for receipt of CDI Voting Instruction Forms via post and voting instructions via internet (for CDI holders) for the General Meeting (if directing CDN to appoint you or someone else as its proxy) | 6.30pm (Sydney time) 28 September 2008 |
| Latest time for receipt of Proxy Forms via post and submission of proxy instructions via CREST/internet (for holders of Ordinary Shares) for the Court Meeting | 9.00am (London time) 28 September 2008 |
| Latest time for receipt of Proxy Forms via post and submission of proxy instructions via CREST/internet (for holders of Ordinary Shares) for the General Meeting | 9.30am (London time) 28 September 2008 |
| Voting record time for the Court Meeting and the General Meeting for the holders of Old Henderson Group Ordinary Shares | 6.00pm (London time) 28 September 2008 |
| The Court Meeting | 9.00am (London time) 6.00pm (Sydney time) 30 September 2008 |
| The General Meeting | 9.30am* (London time) 6.30pm* (Sydney time) 30 September 2008 |
| Court Hearing to sanction the Scheme | 22 October 2008 |
| Court Hearing to confirm the Reduction of Capital | 24 October 2008 |
| Last day for processing requests by CDI holders to convert their CDIs over Old Henderson Group Shares into Old Henderson Group Ordinary Shares and requests by Shareholders to convert their Old Henderson Group Ordinary Shares into Old Henderson Group CDIs | 24 October 2008 |
| Last day of dealings in Old Henderson Group CDIs on the ASX | 24 October 2008 |
| Admission of New Henderson Group to official list of the ASX | 27 October 2008 |
| New Henderson Group CDIs commence trading on the ASX on a deferred settlement basis (under ticker code HGG) | 27 October 2008 |
| Last day of dealings in Old Henderson Group Ordinary Shares | 31 October 2008 |
| Scheme Effective Date and Scheme Record Date and Time | 5.00pm (London time) 31 October 2008 |
| Admission and Listing of New Henderson Group Ordinary Shares, commencement of dealings in New Henderson Group Ordinary Shares on the LSE (under ticker code HGG) | 3 November 2008 |
| Commencement of processing of requests by New Henderson Group CDI holders to convert their New Henderson Group CDIs into New Henderson Group Ordinary Shares and requests by Shareholders to convert their New Henderson Group Ordinary Shares into New Henderson Group CDIs | 3 November 2008 |
| CREST accounts credited with resulting New Henderson Group Ordinary Shares | 3 November 2008 |
| Despatch of certificates for New Henderson Group Ordinary Shares and holding statements for New Henderson Group CDIs | 7 November 2008 |
| Commencement of normal settlement trading in New Henderson Group CDIs on the ASX | 10 November 2008 |

* To commence at the time fixed or as soon thereafter as the Court Meeting concludes or is adjourned.

**The dates given are based on the Directors' expectations and may be subject to change.**

The times and dates above are indicative only and will depend, amongst other things, on the date on which the Court sanctions the Scheme. If any of the above times or dates should change, the revised times and/or dates will be notified to Old Henderson Group Shareholders through the LSE and ASX and will be available from www.henderson.com.

**Henderson Group plc (registered number 2072534)**
**4 Broadgate**
**London**
**EC2M 2DA**

**4 September 2008**

*To the holders of Old Henderson Group Ordinary Shares, the holders of Old Henderson Group CDIs and, for information only, the holders of options granted under, and other participants in, the Old Henderson Group Share Plans.*

Dear Shareholder,

**Recommended proposals to introduce a new holding company using a Scheme of Arrangement**

## 1. INTRODUCTION AND REASONS FOR THE PROPOSALS

On 28 August 2008, Henderson Group plc ("Old Henderson Group") announced proposals relating to a change in the corporate structure and organisation of Henderson Group, including its intention to create a new holding company for Henderson Group ("New Henderson Group") which is incorporated in Jersey. As its business becomes increasingly global, Old Henderson Group has concluded that it and its shareholders would be better served by having an international holding company and a group structure that is designed to help protect Henderson Group's taxation position, and better facilitate its financial management. Notwithstanding recent developments concerning possible changes to UK tax laws, including the issuance by HM Treasury of a discussion document in June 2007 on proposed changes to the taxation of foreign profits of companies, the Directors believe that the most appropriate structure is for the new parent company of Henderson Group to be tax-resident in the Republic of Ireland.

Implementation of the proposals referred to above will include putting in place a new holding company of Henderson Group by means of a scheme of arrangement under sections 895 to 899 of the UK Companies Act (the "Scheme") which will facilitate further restructuring of the Henderson Group intended to enable Henderson Group to maintain an effective corporate tax rate that is lower than the current statutory UK corporate tax rate (the "Proposals"). If the Proposals are implemented and assuming current tax laws remain unchanged, Henderson Group aims to achieve an effective corporate tax rate of approximately 20% per annum from 2009.

The implementation of the Proposals will not result in any changes in the day-to-day conduct of the business of Henderson Group, its strategy or dividend policy.

New Henderson Group will have the same Board and management team as Old Henderson Group on the date the Scheme becomes effective and there will be no substantive changes to corporate governance and investor protection measures.

It was announced on 28 August 2008 that Andrew Formica would join the Old Henderson Group Board to succeed Roger Yates as Chief Executive. It is anticipated that Mr Formica will join the Board of Directors of both Old Henderson Group and New Henderson Group in early November 2008 and that Mr Yates will resign as a Director of both companies at that time.

New Henderson Group will have listing arrangements which are substantially the same as those of Old Henderson Group and will be dual-listed on the LSE and the ASX and, upon listing, its Ordinary Shares will be included in the FTSE's UK Series and its CDIs will be traded on the ASX and included in the S&P/ASX200.

Implementation of the Scheme in full will result in Old Henderson Group Shareholders exchanging their shares in Old Henderson Group for shares in New Henderson Group, which will be the owner of Henderson Group's business. Old Henderson Group will change its name to HGI Group Limited and the new holding company will be called Henderson Group plc.

The Scheme will require the approval of Old Henderson Group Shareholders at the Court Meeting and the passing of the special resolution and ordinary resolution 2 (as set out on pages III to V of PART VI of this document) at the General Meeting of Old Henderson Group Shareholders.

In addition, Old Henderson Group Shareholders will be asked to approve the adoption by New Henderson Group of the New Henderson Group Share Plans.

## 2. OUTLINE OF THE SCHEME

Implementation of the Proposals, if approved, will include putting in place a new holding company of Henderson Group by means of the Scheme. The Scheme will involve cancellation of the Old Henderson Group Ordinary Shares and New Henderson Group will issue an equivalent number of New Henderson Group Ordinary Shares to Old Henderson Group Shareholders. The cancellation of the Old Henderson Group Ordinary Shares is achieved by way of a Reduction of Capital. New Henderson Group, a new Jersey-incorporated company tax-resident in the Republic of Ireland, will then be the holding company of Henderson Group.

When the Old Henderson Group Ordinary Shares are cancelled in accordance with the Scheme, the Old Henderson Group CDIs will be cancelled at the same time. CDN, as the registered holder of Old Henderson Group Ordinary Shares underlying Old Henderson CDIs will receive the same number of New Henderson Group Ordinary Shares as the number of Old Henderson Group Ordinary Shares it held at the Scheme Record Time. As a result, CDI holders will receive one New Henderson Group CDI for every Old Henderson Group CDI held as at the Scheme Record Time on the Scheme Record Date.

When the Scheme becomes effective, the rights attached to the New Henderson Group Ordinary Shares and New Henderson Group CDIs will be substantially the same as the rights attached to the Old Henderson Group Ordinary Shares and the Old Henderson Group CDIs respectively.

## 3. OLD HENDERSON GROUP SHARE PLANS AND NEW HENDERSON GROUP SHARE PLANS

Information relating to the effect of the Scheme on holders of options and awards granted under the Old Henderson Group Share Plans is set out in paragraph 7 of PART IV of this document. Participants in the Old Henderson Group Share Plans will be contacted shortly regarding the effect of the Scheme on their options and awards and the action they can take.

It is proposed that Old Henderson Group Shareholders be asked to approve adoption by New Henderson Group of the New Henderson Group Share Plans. These essentially replicate the Old Henderson Group Share Plans. Details of the New Henderson Group Share Plans are also set out in paragraph 7 of PART IV of this document.

## 4. INCOME ACCESS SHARE PLAN

New Henderson Group intends to put in place, after the Scheme becomes effective, an income access share ("IAS") plan. If implemented, and to the extent that it is operated, this plan will mean that all New Henderson Group Shareholders are deemed to have elected to receive their dividends under the IAS plan from a subsidiary of Old Henderson Group resident for tax purposes in the UK ("IAS Issuer") unless they elect to receive their dividends from a company resident for tax purposes in the Republic of Ireland (i.e. New Henderson Group).

New Henderson Group Shareholders may serve a notice at any time electing not to participate in the IAS plan and instead to receive dividends from New Henderson Group (a "New Henderson Group Election") and may subsequently elect to participate in the IAS plan by serving written notice (an "IAS Election"). The New Henderson Group Election and IAS Election forms will be available from the New Henderson Group Share Registry.

In the case of CDN, the depositary of the CDIs, New Henderson Group Ordinary Shares held for each CDI holder in a separate registered holding on the CDI register shall be considered separately for the purposes of any IAS Election made or deemed to have been made. References to a "New Henderson Group Shareholder" in this section should be read as references to CDN in respect of a particular CDI holder with a separate registered holding on the CDI register. In the case of a New Henderson Group Shareholder with different designated accounts, the Shareholder may make a separate election in respect of each account for which they have a separate registered holding. In the case of a New Henderson Group CDI holder with separate registered holdings, the CDI holder may direct CDN to make a separate election in respect of each separate registered holding on the CDI register.

Further details of the IAS plan are set out in paragraph 5 of PART IV.

## 5. TAXATION

**Australian, New Zealand and UK Taxation**
Your attention is drawn to paragraph 6 of PART IV of this document.

**The summary is intended as a guide only and holders of Old Henderson Group Ordinary Shares or Old Henderson Group CDIs who are in any doubt about their tax position, or who are resident for tax purposes outside Australia, New Zealand or the UK, should consult an appropriate professional adviser immediately.**

## 6. ACTION TO BE TAKEN

Under the UK Companies Act, the Court may sanction the Scheme if approved by a majority in number of those Old Henderson Group Shareholders present and voting (either in person or by proxy) at the Court Meeting representing not less than 75% of the nominal value of the Old Henderson Group Ordinary Shares voted by those Old Henderson Group Shareholders. CDN is counted as one Shareholder only for the purposes of the numbers test, but for the nominal value test CDN's votes will reflect all the voting instructions it has been given by CDI holders. Any CDI holder who wishes to count for the purposes of the numbers test as well as for the purposes of the nominal value test must convert their CDIs into Old Henderson Group Ordinary Shares before the voting record time, i.e. 6.00pm (London time) on 28 September 2008 and either attend the Court Meeting in person (either in London or Sydney) or lodge a white Proxy Form so that it is received by the Henderson Group Share Registry before 9.00am (London time) on 28 September 2008.

Further particulars of the Court Meeting and the General Meeting are contained in the explanatory letter jointly from JPMorgan Cazenove and UBS Investment Bank contained in PART III.

In addition, the Scheme and the Reduction of Capital pursuant to the Scheme each require the Court's confirmation. The Court hearings to approve the Scheme and confirm the Reduction of Capital are expected to be held on 22 October and 24 October 2008 respectively.

**In order that the Court can be satisfied that the votes cast fairly represent the views of Old Henderson Group Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Separate Proxy Forms/CDI Voting Instruction Forms for use at the Court Meeting and the General Meeting are enclosed. Whether or not you propose to attend in person at the meeting in question, you are requested to complete, sign and return the appropriate Proxy Forms/CDI Voting Instruction Forms, as explained in paragraph 16 of PART III.**

## 7. OVERSEAS SHAREHOLDERS

If you are a citizen, resident or national of a jurisdiction outside Australia, New Zealand, Jersey or the UK, your attention is drawn to paragraph 11 of PART III for further details concerning the Scheme.

## 8. FINANCIAL ADVICE

The Old Henderson Group Directors have received financial advice in relation to the Scheme from JPMorgan Cazenove and UBS Investment Bank. In providing such advice to the Old Henderson Group Directors, JPMorgan Cazenove and UBS Investment Bank have relied upon the Old Henderson Group Directors' commercial assessment of the terms of the Scheme.

## 9. CURRENT TRADING AND PROSPECTS OF THE HENDERSON GROUP

On 28 August 2008, Henderson Group published its Interim Results for the six months to 30 June 2008. The Interim Results contained the following statements:

*"We do not expect market conditions to improve in 2008. We assume that retail investor confidence will remain fragile, so we are cautious about net flows into our Wholesale funds during 2008 and probably into 2009. Although there are current opportunities in Hedge funds, Property and Institutional overall we expect fund flows to be subdued in the second half of 2008.*

*It remains our goal in 2008 to meet or beat Henderson Global Investors' operating profit before tax and non-recurring items for FY07 of £109.6m, despite markets having worsened materially since our FY07 announcement on 27 February 2008. During the first two months of the year, the average level of the FTSE100 was 5,968, compared to an average level during the two months of July and August of 5,400. Nevertheless, the prompt action we took on costs earlier in the year, should enable us to achieve our financial objectives for 2008, on the assumption that average equity, fixed income and real property market levels for the second half of 2008 remain at or above those levels seen during July and August; foreign exchange rates remain at average levels seen during July and August; net fund flows in the second half of 2008 (excluding Pearl) are flat or better, with no significant change in the underlying mix of AUM from the first half of 2008; and costs remain in line with normal operating activity.*

*In addition, we now expect Henderson Global Investors to deliver a cost to income ratio of below 65% in 2008.*

*We expect Corporate costs in 2008 to be lower than in 2007, at approximately £8m and Corporate net interest in 2008 to comprise mainly debt servicing costs of approximately £11.5m, assuming an interest rate of 6.5% per annum.*

*Therefore, based on the assumptions above, our goal in 2008 is for Henderson Group to meet or beat a profit figure before tax and non-recurring items of approximately £90m.*

*We will continue to look for other opportunities that meet our strategic criteria, though our focus will remain on profitable organic growth, mainly through revenue creation.*

*In any upturn in markets, our broad range of products, good long term investment performance and high degree of operating leverage should stand us in good stead. Overall, the Group is in good shape despite the economic environment – a testament to the diversity of the business."*

The statements above regarding profits in 2008 represent a profit forecast under the Prospectus Rules and must be reported on by an independent firm of accountants. The accountant's report on the profit forecast is set out in PART 7 of the Prospectus.

## 10. RECOMMENDATION

The Old Henderson Group Directors consider all of the proposed resolutions to be in the best interests of Old Henderson Group and Old Henderson Group Shareholders. Accordingly, the Old Henderson Group Board unanimously recommends Old Henderson Group Shareholders to vote:

(i) **FOR** the Scheme at the Court Meeting; and

(ii) **FOR** the resolutions proposed at the General Meeting,

as the Directors intend to do in respect of their own beneficial holdings of Old Henderson Group Ordinary Shares, being in aggregate 3,547,732 Old Henderson Group Ordinary Shares, which represent approximately 0.5% of Old Henderson Group's issued ordinary share capital (excluding treasury shares) as at the Latest Practicable Date and of the votes that could be cast at the Court Meeting and at the General Meeting.

Yours sincerely

Rupert Pennant-Rea
Chairman

## 1. WHAT AM I BEING ASKED TO VOTE ON?

On 28 August 2008 Old Henderson Group announced proposals related to a change in the corporate structure and organisation of the Henderson Group. As a Shareholder of Old Henderson Group you are asked to vote on resolutions relating to the introduction of a new holding company of Henderson Group by means of the Scheme and to approve the adoption by New Henderson Group of New Henderson Group Share Plans.

## 2. WHY IS OLD HENDERSON GROUP PROPOSING THE SCHEME?

The Scheme is a formal procedure under the UK Companies Act which enables New Henderson Group to become the new holding company for the Henderson Group. The Scheme requires the approval of Old Henderson Group Shareholders and the Court. If the relevant approvals are obtained, all Old Henderson Group Shareholders will be bound by the Scheme regardless of whether or how they voted.

## 3. WHAT ARE THE BENEFITS OF THE PROPOSALS?

The Proposals are intended to enable Henderson Group to maintain an effective corporate tax rate that is lower than the current statutory UK corporate tax rate. If the Proposals are implemented and assuming current tax laws remain unchanged, Henderson Group aims to achieve an effective corporate tax rate of approximately 20% per annum from 2009.

For historical reasons, Henderson Group's parent company has been tax-resident in the UK. As its business becomes increasingly global, Old Henderson Group has concluded that it and its shareholders would be better served by having an international holding company and a group structure that is designed to help protect Henderson Group's taxation position and better facilitate Henderson Group's financial management. The Old Henderson Group Directors believe that the most appropriate structure is for the new parent company of Henderson Group to be tax-resident in the Republic of Ireland.

## 4. WILL THESE BENEFITS BE ACHIEVED?

The new corporate structure is designed to help protect Henderson Group's tax position. However the effectiveness of the new corporate structure is dependent on current tax laws in the UK, Republic of Ireland and other jurisdictions. There can be no certainty that the current corporate structure will protect Henderson Group's tax position. In addition, there can be no certainty that future changes in tax laws will not reduce the effectiveness of the new corporate structure. As a result, Henderson Group's tax position may change materially in the future and Henderson Group's effective tax rate may be materially higher than the rate achieved by Henderson Group in the past.

## 5. DO DEVELOPMENTS ON THE UK GOVERNMENT'S PROPOSED CHANGES TO THE "TAXATION OF FOREIGN PROFITS" OF COMPANIES IMPACT THE PROPOSALS?

In June 2007, HM Treasury issued a discussion document on proposed changes to the "Taxation of Foreign Profits" of companies. Since that date, significant debate has taken place with respect to the proposals. At this stage, considerable uncertainty remains on both the timing and the form that any proposed changes might take and consequently it is not possible to predict the impact of any such changes on the Proposals.

## 6. WHAT APPROVALS ARE NEEDED FOR THE SCHEME TO BECOME EFFECTIVE?

The implementation of the Scheme is conditional upon:

(a) approval, by a majority in number of Old Henderson Group Shareholders on the Old Henderson Group share register (but not on the Old Henderson Group CDI register as CDN represents the Old Henderson Group CDI holders for the numbers test) who vote, representing not less than 75% in value of the Old Henderson Group Shareholders who vote, either in person or by proxy, at the Court Meeting;

(b) the passing of the special resolution and ordinary resolution 2 set out in the notice of the General Meeting approving the Scheme, the cancellation of the Old Henderson Group Ordinary Shares by way of reduction of capital, the creation and allotment of New Henderson Group Ordinary Shares, certain amendments to the Old Henderson Group Articles and the change of name of Old Henderson Group;

(c) sanction by the Court (without modification or, if agreed by Old Henderson Group and New Henderson Group, with modification) of the Scheme and confirmation by the Court of the reduction of Old Henderson Group's ordinary share capital which shall occur as a result of the cancellation of Old Henderson Group Ordinary Shares as part of the Scheme (as referred to in paragraph (b) above); and

(d) a copy of the order of the Court sanctioning the Scheme and confirming the reduction of capital referred to in paragraph (b) above having been delivered to the Registrar of Companies in England and Wales for registration and the order and relevant minute being registered by the Registrar of Companies.

The Old Henderson Group Directors will not take the necessary steps to enable the Scheme to become effective unless certain other conditions set out in paragraph 3 of PART III of this document have also been satisfied.

### 7. WILL NEW HENDERSON GROUP BE LISTED IN THE REPUBLIC OF IRELAND?

No, New Henderson Group is intended to be tax-resident in the Republic of Ireland but will be listed on the LSE and ASX only.

### 8. WHY IS NEW HENDERSON GROUP INCORPORATED IN JERSEY?

New Henderson Group is incorporated in Jersey as, under current law, no stamp duty should normally be payable on share dealings in a Jersey incorporated company. Jersey company law is similar to English company law. Please see paragraph 4 of PART IV for further information on differences between English and Jersey company law and the implications of New Henderson Group being a Jersey incorporated company.

### 9. WHAT WILL OLD HENDERSON GROUP DO IF THE SCHEME IS NOT APPROVED?

Old Henderson Group will remain incorporated in the UK and continue to be listed on the LSE and ASX.

### 10. HOW WILL THE SCHEME AFFECT MY SHAREHOLDING?

There will be no substantial change to your shareholding.

Under the Scheme, Old Henderson Group Shareholders at the Scheme Record Date and Time will receive, in exchange for their Old Henderson Group Ordinary Shares, New Henderson Group Ordinary Shares on a one for one basis. As a consequence, Old Henderson Group CDI holders at the Scheme Record Time will receive, in exchange for their Old Henderson Group CDIs, New Henderson Group CDIs on a one for one basis.

The Scheme will therefore result in those Shareholders and CDI holders in Old Henderson Group becoming holders of Shares or CDIs (as applicable) in New Henderson Group in the same proportions as their holdings in Old Henderson Group. When the Scheme becomes effective, the rights attached to the New Henderson Group Ordinary Shares and the New Henderson Group CDIs will be substantially the same as the rights attached to the Old Henderson Group Ordinary Shares and the Old Henderson Group CDIs respectively.

New Henderson Group will have new articles and, where appropriate and subject to Jersey Companies Law, provisions have been incorporated into the New Henderson Group Articles to include certain rights that are not conferred by Jersey Companies Law.

### 11. WHAT ARE THE PRINCIPAL STEPS IN THE SCHEME?

Under the Scheme, all the Scheme Ordinary Shares will be cancelled on the Scheme Effective Date (which is expected to be 31 October 2008).

In consideration of the cancellation of the Scheme Ordinary Shares, the Scheme Shareholders will receive, in respect of any Scheme Ordinary Shares held at the Scheme Record Time on the Scheme Record Date:

**for each Scheme Ordinary Share cancelled One New Henderson Group Ordinary Share**

When the Scheme becomes effective, the rights attached to New Henderson Group Ordinary Shares will be substantially the same as the rights currently attached to the existing Old Henderson Group Ordinary Shares. A summary of the principal differences between New Henderson Group Articles and Old Henderson Group Articles is set out in paragraph 1 of PART IV of this document. A description of certain provisions of the New Henderson Group Articles is set out in paragraph 3 of PART IV of this document. The differences between English and Jersey law and the implications of New Henderson Group being a Jersey incorporated company are set out in paragraph 4 of PART IV of this document.

**12. WHY ARE THERE TWO MEETINGS AND DO I NEED TO ATTEND?**

There are two shareholder meetings, being the Court Meeting and a subsequent General Meeting, which are being called for different purposes but which will be held on the same day.

The sole purpose of the Court Meeting is to seek the approval of Old Henderson Group Shareholders for the Scheme.

The General Meeting, which will be held immediately after the Court Meeting, is being called to enable Old Henderson Group Shareholders to approve the Scheme and various matters in connection with the Scheme (including the Reduction of Capital and the change of name of Old Henderson Group) and to approve the adoption by New Henderson Group of the New Henderson Group share plans.

The meetings will be held on 30 September 2008.

If you hold Old Henderson Group Ordinary Shares you are entitled to attend the Court Meeting and the General Meeting. If you do not attend, you are still entitled to vote at both meetings by appointing a proxy. If you hold Old Henderson Group CDIs and you wish to attend the meetings in person and be able to speak and/or vote, please ensure that you complete and submit both CDI Voting Instruction Forms in the manner set out in PART VI.

**13. IF I VOTE AGAINST THE SCHEME, HOW CAN IT STILL GO AHEAD?**

The Scheme requires the approval of Old Henderson Group Shareholders as detailed in paragraph 13 of PART III of this document and the Court under the UK Companies Act. If the relevant approvals are obtained, all Old Henderson Group Shareholders will be bound by the Scheme regardless of whether or how they voted.

**14. HOW DO I VOTE?**

It is important that as many Old Henderson Group Shareholders as possible cast their votes. This applies to both the Court Meeting and the General Meeting. In particular, it is important that a considerable number of votes are cast at the Court Meeting so as to demonstrate that there is a fair representation of Old Henderson Group Shareholder opinion.

If you do not wish, or are unable, to attend the Court Meeting and/or the General Meeting and you are an Ordinary Shareholder, you may appoint a "proxy" to act on your behalf and vote on the poll at the Court Meeting and vote at the General Meeting. You may appoint your proxy by completing the Proxy Forms/CDI Voting Instruction Forms and returning them in accordance with the instructions set out in this document and on the relevant Proxy Forms/ CDI Voting Instruction Forms. If you are a CDI holder you may either direct CDN how it should vote or instruct CDN to appoint you or someone else as its proxy to act on your behalf and vote on the poll at the Court Meeting and at the General Meeting.

You are, therefore, strongly encouraged to complete, sign and return your Proxy Form/CDI Voting Instruction Forms as soon as possible. You have been sent a white Proxy Form or CDI Voting Instruction Form for the Court Meeting and a purple Proxy Form or CDI Voting Instruction Form for the General Meeting. Alternatively, you can go to the Old Henderson Group website at http://go.henderson.com/nhg to vote online.

If you hold Ordinary Shares in uncertificated form you may also appoint a proxy by completing and transmitting a CREST proxy instruction in accordance with the procedures set out in the CREST manual ensuring that it is received by the Henderson Group Share Registry (under CREST Participant ID 3RA50) by no later than 48 hours before the time appointed for the relevant meeting.

**15. WHAT HAPPENS IF I DO NOT VOTE?**

The Scheme requires the approval of Old Henderson Group Shareholders and the Court. If the relevant approvals are obtained, all Old Henderson Group Shareholders will be bound by the Scheme regardless of whether or how they voted.

Shareholders are encouraged to vote at the Court Meeting and the General Meeting, however, voting is not compulsory. The outcome of the votes will be announced through the LSE and ASX and on the Old Henderson Group website at www.henderson.com following the General Meeting.

### 16. AM I A SHAREHOLDER OR CDI HOLDER?

You are a CDI holder if you hold Old Henderson Group CDIs traded on the ASX. If you are an Australian or New Zealand resident shareholder you are likely to be an Old Henderson Group CDI holder.

You are a Shareholder if you hold Old Henderson Group Ordinary Shares traded on the LSE. If you are resident in the UK you are likely to be an Old Henderson Group Shareholder.

### 17. WHAT IF I PARTICIPATE IN AN OLD HENDERSON GROUP SHARE PLAN?

Depending on the relevant Old Henderson Group Share Plan, you will either be given the opportunity to exchange your options and awards relating to Old Henderson Group Ordinary Shares for equivalent rights relating to New Henderson Group Ordinary Shares or such exchange will occur automatically. The replacement options and awards will be treated as having been granted at the same time as the old rights which they replace and they will become exercisable or vest on similar terms subject to the rules of the relevant share plan.

### 18. WHAT ARE THE NEW HENDERSON GROUP EMPLOYEE SHARE PLANS?

New Henderson Group intends to operate the New Henderson Group Share Plans in order to continue to provide share based incentives to employees within the New Henderson Group. The New Henderson Group Share Plans will relate to New Henderson Group Ordinary Shares but will otherwise be substantially the same as the Old Henderson Group Share Plans. Shareholders are being asked to approve the adoption of New Henderson Group Share Plans at the General Meeting.

### 19. WHERE ARE THE MEETINGS?

The Court Meeting and the General Meeting will take place on 30 September 2008 at 4 Broadgate, London EC2M 2DA and will be broadcast at the relevant times to the Wesley Conference Centre, 220 Pitt Street, Sydney, NSW, Australia.

### 20. WHAT IS THE TAX IMPACT OF THE PROPOSALS ON MY SHARES?

Summaries of certain limited aspects of the Australian, New Zealand and the UK tax consequences of the Scheme for Shareholders in the circumstances described therein are set out in paragraph 6 of PART IV of this document. These summaries are intended as a general guide only and not as a substitute for detailed tax advice.

If you are in any doubt about your tax position, you should consult an appropriate professional adviser immediately.

### 21. WHO WILL I RECEIVE A DIVIDEND FROM?

New Henderson Group intends, after the Scheme becomes effective, to put an IAS plan in place which is intended to ensure that, as under current Old Henderson Group dividend payment arrangements, tax is not required to be withheld from the payment of dividends to New Henderson Group Shareholders or holders of New Henderson Group CDIs. Without this, Shareholders and CDI Holders would need to comply with certain administrative and advance certification procedures to ensure that Irish dividend withholding tax is not withheld. Further details of the IAS plan are set out in paragraph 5 of PART IV of this document. All New Henderson Group Shareholders, including CDN, on behalf of holders of New Henderson Group CDIs, will be deemed to have elected to participate in the IAS plan and to receive dividends from IAS Issuer rather than from New Henderson Group unless you elect otherwise or, in the case of CDI holders, direct CDN to elect otherwise in respect of your CDIs. Forms to elect to receive dividends from New Henderson Group instead of IAS Issuer will be available from the New Henderson Group Share Registry. There is a risk that New Zealand Shareholders who do not make an election not to participate in the IAS plan may be adversely affected by the tax treatment of dividends paid under the IAS plan. Please see paragraph 6.2 of PART IV for further details.

The IAS plan may not be implemented. If the IAS plan is implemented, it can be terminated or suspended at any time. In this case dividends will be paid to all Shareholders, including Shareholders who had previously made or been deemed to have made an IAS Election, by New Henderson Group. In certain circumstances New Henderson Group Shareholders who have made, (or are deemed to have made) an election to participate in the IAS plan may receive all or part of their dividend from New Henderson Group. Please see sections on "Shortfall in Dividend Payment" and "Termination" on pages 37 and 38 for further details. In no circumstances will the IAS Issuer or New Henderson Group or Old Henderson Group compensate Shareholders for any adverse tax consequences. A summary of certain limited aspects of UK and Irish tax consequences of the IAS plan is contained in the paragraphs entitled "UK Taxation" and "Republic of Ireland Taxation" in paragraphs 6.3 and 6.4 of PART IV.

## 22. WILL YOUR DIVIDEND POLICY CHANGE?

The Board of Directors of New Henderson Group expects to continue to pay dividends in line with the policy which Old Henderson Group has adopted to date. The Henderson Group commenced the payment of dividends in 2006 and has been aiming for a dividend cover of approximately two times net profits after tax before non-recurring items. The Board recently reviewed this policy and has increased the dividend pay-out ratio in 2008 from 50% to 55% of net profits after tax before non-recurring items. Beyond that, Henderson Group intends to increase the dividend pay-out ratio by 5 percentage points a year, bringing the ratio to about 65% from 2010 onwards.

## 23. WILL MY SHAREHOLDER INFORMATION AND PREFERENCES BE TRANSFERRED?

All current shareholder information and preferences under Old Henderson Group, including bank account details and communication preferences, will be carried over to the shareholder register of New Henderson Group.

Your present dividend payment instructions will continue for New Henderson Group and the IAS plan after the Scheme Effective Date, unless and until you revoke them. If you wish to change your instructions you should go to www.henderson.com or contact the Henderson Group Share Registry.

## 24. CAN I TRADE MY SHARES WHILE THE PROPOSALS ARE BEING EFFECTED?

Yes, you will be able to trade your shares.

Trading in New Henderson Group Ordinary Shares on the LSE will commence on 3 November 2008 under the ticker code HGG.

Trading in New Henderson Group CDIs on the ASX under the ticker code HGG will be on a deferred settlement basis for the period 27 October to 7 November, both days inclusive. Settlement of New Henderson Group CDIs traded during this period will be deferred until 13 November 2008. Normal settlement trading of New Henderson Group CDIs on the ASX will commence on 10 November 2008, under the ticker code HGG.

The last day for processing requests by Ordinary Shareholders to convert their Old Henderson Group Ordinary Shares into Old Henderson Group CDIs and by holders of Old Henderson Group CDIs to convert their CDIs into Old Henderson Group Ordinary Shares will be 24 October 2008.

Processing of requests by Ordinary Shareholders to convert their New Henderson Group Ordinary Shares into New Henderson Group CDIs and by holders of New Henderson Group CDIs to convert their CDIs into New Henderson Group Ordinary Shares will commence on 3 November 2008.

## 25. WHAT ARE THE COSTS OF THE PROPOSALS?

The total costs and expenses of, or incidental to, the Proposals are estimated to be approximately £4.5m (exclusive of amounts in respect of VAT).

## 26. WHAT IF I STILL HAVE QUESTIONS?

If you have read this document and still have any questions, please call the Henderson Group Share Registry on 0800 073 3916 (UK), 1300 137 981 (Australia), 0800 888 017 (New Zealand) or +61 3 9415 4081 (CDI holders from all countries other than Australia and New Zealand).

Note: for legal reasons the Henderson Group Share Registry will only be able to provide practical information and will not provide advice on the merits of any of the Proposals or Admission of the New Henderson Group Ordinary Shares or give any financial or taxation advice. For financial or taxation advice, you will need to consult an independent financial adviser.

JPMorgan Cazenove

UBS Investment Bank

**JPMorgan Cazenove Limited**
**20 Moorgate,**
**London, EC2R 6DA**

**UBS Investment Bank**
**1 Finsbury Avenue,**
**London, EC2M 2PP**

**4 September 2008**

*To the holders of Old Henderson Group Ordinary Shares, the holders of Old Henderson Group CDIs and, for information only, the holders of options granted under, and other participants in, the Old Henderson Group Share Plans.*

Dear Shareholder,

**Recommended proposals to introduce a new holding company using a scheme of arrangement**

## 1. INTRODUCTION AND REASONS FOR THE PROPOSAL

On 28 August 2008, Henderson Group plc ("Old Henderson Group") announced proposals relating to a change in the corporate structure and organisation of Henderson Group, including its intention to create a new holding company for Henderson Group ("New Henderson Group") which is incorporated in Jersey. As its business becomes increasingly global, Old Henderson Group has concluded that it and its shareholders would be better served by having an international holding company and a group structure that is designed to help protect Henderson Group's taxation position, and better facilitate its financial management. Notwithstanding recent developments concerning possible changes to UK tax laws, including the issuance by HM Treasury of a discussion document in June 2007 on proposed changes to the taxation of foreign profits of companies, the Old Henderson Group Directors believe that the most appropriate structure is for the new parent company of Henderson Group to be tax-resident in the Republic of Ireland.

Implementation of the proposals referred to above will include putting in place a new holding company of Henderson Group by means of a scheme of arrangement under sections 895 to 899 of the UK Companies Act (the "Scheme") which will facilitate further restructuring of the Henderson Group intended to enable Henderson Group to maintain an effective corporate tax rate that is lower than the current statutory UK corporate tax rate (the "Proposals"). If the Proposals are implemented and assuming current tax laws remain unchanged, Henderson Group aims to achieve an effective corporate tax rate of approximately 20% per annum from 2009.

The implementation of the Proposals will not result in any changes in the day to day conduct of the business of Henderson Group, its strategy or dividend policy.

New Henderson Group will have the same Board and management team as Old Henderson Group on the date the Scheme becomes effective and there will be no substantive changes to corporate governance and investor protection measures.

It was announced on 28 August 2008 that Andrew Formica would join the Old Henderson Group Board to succeed Roger Yates as Chief Executive. It is anticipated that Mr Formica will join the Board of Directors of both Old Henderson Group and New Henderson Group in early November 2008 and that Mr Yates will resign as a Director of both companies at that time.

New Henderson Group will have listing arrangements which are substantially the same as those of Old Henderson Group and will be dual-listed on the LSE and the ASX and, upon listing, its Ordinary Shares will be included in the FTSE's UK Series and its CDIs will be traded on the ASX and included in the S&P/ASX200.

Implementation of the Scheme in full will result in Old Henderson Group Shareholders exchanging their shares in Old Henderson Group for shares in New Henderson Group, which will be the owner of Henderson Group's business. Old Henderson Group will change its name to HGI Group Limited and the new holding company will be called Henderson Group plc.

The Scheme will require the approval of Old Henderson Group Shareholders at the Court Meeting and the passing of the special resolution and ordinary resolution 2 (as set out on pages III to V in PART VI of this document) at the General Meeting of Old Henderson Group Shareholders.

In addition, Old Henderson Group Shareholders will be asked to approve the adoption by New Henderson Group of the New Henderson Group Share Plans.

**A description of the action Old Henderson Group Shareholders are recommended to take in relation to the Court Meeting and in relation to the General Meeting is set out in paragraph 16 below. The full text of the Scheme is set out in PART V. The full text of each of the resolutions to be proposed at the Court Meeting and the General Meeting is set out in PART VI.**

It is expected that, if approved, the Scheme will become effective and that trading in the New Henderson Group Ordinary Shares will commence on 3 November 2008 on the LSE. Normal settlement trading in the New Henderson Group CDIs on the ASX is expected to commence on 10 November 2008, although trading in the New Henderson Group CDIs on the ASX on a deferred settlement basis is expected to commence on 27 October 2008.

## 2. SUMMARY OF THE SCHEME

### 2.1 The Scheme

The principal steps involved in the Scheme are as follows:

(a) Cancellation of Scheme Ordinary Shares

Under the Scheme, all the Scheme Ordinary Shares will be cancelled on the Scheme Effective Date (which is expected to be 31 October 2008).

In consideration of the cancellation of the Scheme Ordinary Shares, the Scheme Shareholders will receive, in respect of any Scheme Ordinary Shares held as at the Scheme Record Time on the Scheme Record Date:

**for each Scheme Ordinary Share cancelled One New Henderson Group Ordinary Share**

Prior to the Scheme Record Time, Old Henderson Group may allot and issue Old Henderson Group Ordinary Shares pursuant to the exercise or vesting of options or awards under the Old Henderson Group Share Plans which will be subject to the terms of the Scheme. Save for the issue of the New Ordinary Shares to New Henderson Group pursuant to the Scheme, Old Henderson Group will not issue any shares after the Scheme Record Time until after the Effective Date.

When the Scheme becomes effective, the rights attached to the New Henderson Group Ordinary Shares will be substantially the same as the rights currently attached to the existing Old Henderson Group Ordinary Shares. A summary of the principal differences between the New Henderson Group Articles and the Old Henderson Group Articles is set out in paragraph 1 of PART IV of this document. A summary of the rights attaching to the New Henderson Group Ordinary Shares is set out in paragraph 3 of PART IV of this document. The differences between English and Jersey law and the implications of New Henderson Group being a Jersey incorporated company are set out in paragraph 4 of PART IV of this document.

(b) Establishing New Henderson Group as the new holding company of Henderson Group

Following the Reduction of Capital and the cancellation of the Scheme Ordinary Shares, the share capital of Old Henderson Group will be restored to its former nominal amount and the credit arising in the books of Old Henderson Group as a result of the cancellation will be applied in paying up in full new shares in Old Henderson Group such that the aggregate nominal value of those shares equals the aggregate nominal value of the Old Henderson Group Ordinary Shares cancelled. The new shares in Old Henderson Group will be issued to New Henderson Group which will, as a result, become the holding company of Henderson Group.

(c) One share to be issued to New Henderson Group prior to Scheme becoming effective

Prior to the Scheme becoming effective, subject to the Old Henderson Group Shareholders approving the relevant resolutions at the General Meeting, Old Henderson Group will allot and issue the A Ordinary Share to New Henderson Group. The A Ordinary Share is being issued to New Henderson Group to facilitate Old Henderson Group becoming its wholly owned subsidiary in connection with the Scheme.

The A Ordinary Share will not be cancelled as part of the Scheme but will continue to be held by New Henderson Group once it becomes the holding company of Henderson Group. This A Ordinary Share will not have any voting rights but will otherwise rank *pari passu* with the Old Henderson Group Ordinary Shares.

### 2.2 Old Henderson Group CDIs

When the Scheme Ordinary Shares are cancelled in accordance with the Scheme, the Old Henderson Group CDIs will be cancelled at the same time. CDN, as the registered holder of Old Henderson Group Ordinary Shares underlying Old Henderson Group CDIs will receive the same number of New Henderson Group Ordinary Shares as the number of Old Henderson Group Ordinary Shares it held at the Scheme Record Time. As a result, CDI holders will receive one New Henderson Group CDI for every Old Henderson Group CDI held as at the Scheme Record Time on the Scheme Record Date.

## 3. CONDITIONS TO AND IMPLEMENTATION OF THE SCHEME

### The Scheme

The implementation of the Scheme is conditional upon:

(a) approval, by a majority in number of Old Henderson Group Shareholders on the Old Henderson Group share register (but not on the Old Henderson Group CDI register as CDN represents the Old Henderson Group CDI holders for the numbers test) who vote, representing not less than 75% in value of the Old Henderson Group Shareholders who vote, either in person or by proxy, at the Court Meeting;

(b) the passing of the special resolution and ordinary resolution 2 set out in the notice of the General Meeting approving the Scheme, the cancellation of the Scheme Ordinary Shares by way of Reduction of Capital, the creation and allotment of New Henderson Group Ordinary Shares and certain amendments to the Old Henderson Group Articles and the change of name of Old Henderson Group;

(c) sanction by the Court (without modification or, if agreed by Old Henderson Group and New Henderson Group, with modification) of the Scheme and confirmation by the Court of the reduction of Old Henderson Group's ordinary share capital which shall occur as a result of the cancellation of Old Henderson Group Ordinary Shares as part of the Scheme; and

(d) a copy of the order of the Court sanctioning the Scheme and confirming the Reduction of Capital having been delivered to the Registrar of Companies in England and Wales for registration and the order and relevant minute being registered by the Registrar of Companies.

The Court Hearing (at which it is proposed that the Court sanction the Scheme) is expected to be held on 22 October 2008. Shareholders or creditors who wish to oppose the Scheme will be informed by an advert in a newspaper with national distribution in the United Kingdom of their right to appear in person, or be represented by Counsel, at the Court Hearing.

In addition, the Old Henderson Group Directors will not take the necessary steps to enable the Scheme to become effective unless, at the relevant time, the following conditions have been satisfied:

(e) the UK Listing Authority has agreed to admit (subject to the satisfaction of conditions (a) to (d) above, save to the extent such conditions are already satisfied) the New Henderson Group Ordinary Shares to be issued in connection with the Scheme to the Official List and its agreement not being withdrawn prior to the Scheme Effective Time;

(f) the LSE has agreed to admit the New Henderson Group Ordinary Shares to be issued in connection with the Scheme to trading on its market for listed securities and its agreement not being withdrawn prior to the Scheme Effective Time;

(g) the FSA has given notice in writing under section 184(1) of FSMA prior to the Scheme Effective Time, in terms satisfactory to the Old Henderson Group Board and either unconditionally or subject to conditions satisfactory to the Board, of its approval of any acquisition of control over (within the meaning of section 179 of FSMA) any member of the Henderson Group which is a UK authorised person (within the meaning of section 178(4) of FSMA) by New Henderson Group or any other person or entity requiring approval which would result from the Proposals, or the FSA being treated as having given such approval by reason of section 184(2) of FSMA, and the FSA has not amended any such approval or conditions or imposed any additional terms or conditions which are not satisfactory to the Board or withdrawn such approval, and such approval remaining in full force and effect;

(h) prior to the Scheme being sanctioned by the Court all necessary regulatory notifications have been made, and all necessary regulatory consents have been obtained (or any applicable waiting periods have expired) except where the consequence of a failure to make such notification or obtain any such consent (or to wait for the expiry of a waiting period) would in the opinion of the Old Henderson Group Directors not have a material adverse effect on the Henderson Group taken as a whole; and

(i) the ASX has agreed to admit New Henderson Group to the official list of the ASX and to grant New Henderson Group CDIs to be issued in connection with the Scheme official quotation and its agreement not being withdrawn prior to the Scheme Effective Time.

Following the Meetings, the Scheme and the related Reduction of Capital must be sanctioned by the Court and subject to the satisfaction of the other conditions to the Scheme, will become effective only upon delivery to the Registrar of Companies of a copy of the order of the Court sanctioning the Scheme and a copy of the order

confirming the Reduction of Capital and, in respect of the Reduction of Capital, the registration by the Registrar of Companies of that copy. It is intended that this will occur at 5.00pm on 31 October 2008. Thereafter dealings in New Henderson Group Ordinary Shares on the LSE to be issued pursuant to the Scheme are expected to commence on 3 November 2008. The first day of normal settlement trading of New Henderson Group CDIs on the ASX is expected to be 10 November 2008.

If the Scheme has not become effective by 31 December 2008 (or such later date as the Court may allow), it will lapse, in which event the Scheme will not proceed and Old Henderson Group Shareholders will remain holders of Old Henderson Group Ordinary Shares and the Old Henderson Group Ordinary Shares will continue to be listed on the Official List and traded on the LSE. Furthermore, Old Henderson Group will remain listed on the ASX and trading in Old Henderson Group CDIs on the ASX is expected to resume.

The Scheme contains a provision for Old Henderson Group and New Henderson Group jointly to consent on behalf of all persons concerned to any modification of or addition to the Scheme, or to any condition which the Court may think fit to approve or impose.

The full text of the Scheme and of the resolutions to be proposed at the Court Meeting and the General Meeting are set out in PART V and PART VI respectively.

## 4. EFFECT OF THE SCHEME

The effect of implementation of the Scheme will be as follows:

(a) instead of having its ordinary share capital owned by the Old Henderson Group Shareholders, Old Henderson Group will become a subsidiary of New Henderson Group;

(b) instead of holding the number of Old Henderson Group Ordinary Shares or Old Henderson Group CDIs at the Scheme Record Time, each Scheme Shareholder will hold the same number of New Henderson Group Ordinary Shares and each Old Henderson Group CDI holder at the Scheme Record Time will come to hold the same number of New Henderson Group CDIs; and

(c) New Henderson Group will own all of the business of the Henderson Group.

## 5. TAXATION

**Australian, New Zealand and UK Taxation**
Your attention is drawn to paragraph 6 of PART IV of this document.

**The summary is intended as a guide only and holders of Old Henderson Group Ordinary Shares or Old Henderson Group CDIs who are in any doubt about their tax position, or who are resident for tax purposes outside Australia, New Zealand or the UK should consult an appropriate professional adviser immediately.**

## 6. INCOME ACCESS SHARE PLAN

New Henderson Group intends to put in place, after the Scheme becomes effective, the IAS plan, which is intended to ensure that, as under current Old Henderson Group dividend payment arrangements, no tax is required to be withheld from the payment of dividends to New Henderson Group Shareholders. In the absence of this, and given New Henderson Group's tax-residency in the Republic of Ireland, New Henderson Group Shareholders would need to comply with certain administrative requirements and advance certification procedures in order to ensure that Irish dividend withholding tax was not withheld.

Under the IAS plan, to the extent implemented and operated, all holders of New Henderson Group Ordinary Shares or New Henderson Group CDIs (as applicable) will be deemed to have elected to be paid dividends by IAS Issuer, a UK tax-resident subsidiary of Old Henderson Group, rather than from New Henderson Group, which is tax-resident in the Republic of Ireland. New Henderson Group Shareholders may serve a notice at any time electing not to participate in the IAS plan and instead to receive dividends from New Henderson Group (a "New Henderson Group Election") and may subsequently elect to participate in the IAS plan by serving written notice (an "IAS Election"). The New Henderson Group Election and the IAS Election forms will be available from the New Henderson Group Share Registry.

Further details on the IAS plan are set out in paragraph 5 of PART IV.

## 7. ARTICLES OF ASSOCIATION OF NEW HENDERSON GROUP

A summary of the principal differences between the New Henderson Group Articles and the Old Henderson Group Articles is set out in paragraph 1 of PART IV of this document. A description of certain provisions of the New Henderson Group Articles is set out in paragraph 3 of PART IV of this document. The differences between English and Jersey law and the implications of New Henderson Group being a Jersey incorporated company are set out in paragraph 4 of PART IV of this document.

## 8. DIRECTORS' AND OTHER INTERESTS

All of the Directors of Old Henderson Group have been appointed Directors of New Henderson Group.

The effect of the Scheme on the interests of the Directors (details of which are set out in paragraph 8 of PART IV) does not differ from its effect on the like interests of other persons. Shareholders are, however, referred to the matters described in paragraphs 1, 3 and 4 of PART IV of this document in relation to the effect on Directors arising from the differences between the Old Henderson Group Articles and the New Henderson Group Articles and the fact that New Henderson Group is incorporated in Jersey and governed by Jersey Companies Law. The main implications and effects of the differences between the New Henderson Group Articles and the Old Henderson Group Articles and of New Henderson Group being a Jersey incorporated company on interests of the Directors are as follows:

- there is no general prohibition on the granting of loans by a company to its directors under Jersey law. However, directors will still need to be mindful of their fiduciary duties when considering the granting of such loans; and
- the New Henderson Group Articles now clarify that directors are not accountable for any benefit by virtue of insurance taken out in favour of the directors against any liability.

After the Scheme Effective Date, the Non-Executive Directors will receive their fees from New Henderson Group and the total emoluments receivable by each of those Non-Executive Directors will not be varied as a result of the Scheme. The Executive Directors will be entitled to a fee in respect of their appointment as Directors of New Henderson Group and the base salary payable for their employment with Old Henderson Group will be reduced accordingly. The total emoluments receivable by each of the Executive Directors will not be varied as a result of the Scheme. Similar payment arrangements will apply to Mr Formica on his appointment to the New Henderson Group Board as Chief Executive which is anticipated to take effect from early November 2008.

## 9. EMPLOYEE SHARE PLANS

### 9.1 Old Henderson Group Share Plans

The implications of the Scheme for the Old Henderson Group Share Plans are set out in paragraph 7 of PART IV of this document. It is intended that participants in the Old Henderson Group Share Plans will either be given the opportunity to exchange their options and awards relating to Old Henderson Group Ordinary Shares for options and awards relating to New Henderson Group Ordinary Shares, or this exchange will occur automatically.

### 9.2 New Henderson Group Share Plans

New Henderson Group has adopted the New Henderson Group Share Plans, subject to the Scheme becoming effective and the Old Henderson Group Shareholders approving in the General Meeting the adoption by New Henderson Group of the New Henderson Group Share Plans. It is proposed that Old Henderson Group Shareholders be asked to approve adoption of the New Henderson Group Share Plans in the General Meeting. Further information in relation to the New Henderson Group Share Plans is set out in paragraph 7 of PART IV.

### 9.3 Amendment of Old Henderson Group's Articles of Association

Old Henderson Group Ordinary Shares may have to be allotted at a time when they could be outside the scope of the Scheme either before or after the Scheme comes into effect (for example, because of the exercise of rights granted by Old Henderson Group under the Old Henderson Group Share Plans). It is proposed that the Old Henderson Group Articles should be amended in such a way as to ensure that: (i) any Old Henderson Group Ordinary Shares which are issued after the Scheme is approved but prior to the Scheme Record Time will be allotted and issued subject to the terms of the Scheme and that the holders of such shares will be bound by the Scheme accordingly; and (ii) any Old Henderson Group Ordinary Shares which are allotted otherwise than to New Henderson Group (or to a nominee of New Henderson Group) after the Scheme Effective Date will be acquired by New Henderson Group in exchange for the issue of New Henderson Group Ordinary Shares to the allottees in the same ratio as under the terms of the Scheme.

## 10. CREST

It is proposed that the New Henderson Group Ordinary Shares be made eligible for settlement in CREST, the paperless system for settlement of securities listed by the UK Listing Authority and traded on the LSE's main market for listed securities. Further information on the CREST settlement system is set out in PART 6 of the Prospectus, a copy of which is available on the Henderson Group website at http://go.henderson.com/nhg and hard copies of which are available upon request from the Henderson Group Share Registry at: (i) The Pavilions, Bridgwater Road, Bristol, BS99 6AH or by telephone on 0800 073 3916; (ii) in Australia, GPO Box 4578, Melbourne, Victoria 8060 or by telephone on 1300 137 981; or (iii) in New Zealand, Private Bag 92119, Auckland 1142 or by telephone on 0800 888 017. Information on listing, dealings, share certificates and settlement is set out in paragraph 12 below.

## 11. OVERSEAS SHAREHOLDERS

Overseas Shareholders (being Shareholders in jurisdictions other than Australia, the UK, Jersey or New Zealand) may be affected by the laws of other jurisdictions in relation to the Scheme. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the allotment and issue of New Henderson Group Ordinary Shares and New Henderson Group CDIs following the Scheme Effective Date, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

If, in respect of any Overseas Shareholder, Old Henderson Group is advised that the allotment and issue of New Henderson Group Ordinary Shares would or might infringe the laws of any jurisdiction outside Australia, the UK, Jersey or New Zealand, or would or might require New Henderson Group to obtain any governmental or other consent or effect any registration, filing or other formality, New Henderson Group may determine that no New Henderson Group Ordinary Shares shall be allotted and issued to such shareholder. Instead, such New Henderson Group Ordinary Shares shall be allotted and issued to a nominee appointed by New Henderson Group as trustee for such shareholder, on terms that they shall be sold on behalf of such shareholder as soon as reasonably practicable after the Scheme Effective Date, with the net proceeds of sale being remitted to the Overseas Shareholder concerned at the risk of such shareholder. Alternatively, New Henderson Group may determine that the New Henderson Group Ordinary Shares shall be issued to that shareholder and sold, with the net proceeds of sale being remitted to the Overseas Shareholder at the Overseas Shareholder's risk.

Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.

The New Henderson Group Ordinary Shares will not be, and are not required to be, registered under the Securities Act and will be issued pursuant to the Scheme in reliance on the exemption from the registration requirements of the Securities Act provided by section 3(a)(10) of that Act. For the purpose of qualifying for the section 3(a)(10) exemption with respect to the New Henderson Group Ordinary Shares issued pursuant to the Scheme, Old Henderson Group will advise the Court that it will rely on the section 3(a)(10) exemption based on the Court's sanctioning of the Scheme, which will be relied upon by Old Henderson Group as an approval of the Scheme following the hearing on its fairness to Old Henderson Group Shareholders at which hearing all such Old Henderson Group Shareholders will be entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and, with respect to which, notification has been or will be given to all such shareholders.

The New Henderson Group Ordinary Shares will not be registered under the securities laws of any state of the United States, and will be issued pursuant to the Scheme in reliance on available exemptions from such state law registration requirements or the pre-emption of such requirements by the Securities Act.

Neither the SEC nor any US federal or state securities commission or regulatory authority has approved or disapproved of the New Henderson Group Ordinary Shares or passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Old Henderson Group Ordinary Shareholders who are citizens or residents of the United States should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme and in their particular circumstances.

## 12. LISTING, DEALINGS, SHARE CERTIFICATES AND SETTLEMENT

Application has been made to the UK Listing Authority for the New Henderson Group Ordinary Shares to be admitted to the Official List and to the LSE for the New Henderson Group Ordinary Shares to be admitted to trading on its market for listed securities. The ISIN of the New Henderson Group Ordinary Shares will be JE00B3CM9527. The Trading Instrument Mnemonic (or ticker) for New Henderson Group will be HGG. Similarly, application has been made to the ASX for New Henderson Group to be admitted to the official list of the ASX on 27 October 2008 and for the New Henderson Group CDIs to commence trading on the ASX on a deferred settlement basis on 27 October 2008 until and including 7 November 2008. Normal settlement trading of New Henderson Group CDIs is expected to commence on 10 November 2008.

**United Kingdom**
If all the conditions to the Scheme are satisfied, Old Henderson Group intends to seek the delisting of the Old Henderson Group Ordinary Shares from the Official List with effect from the Scheme Effective Date.

The last day of dealings in Old Henderson Group Ordinary Shares is expected to be 31 October 2008. The last time for registration of transfers of Old Henderson Group Ordinary Shares is expected to be 5.00pm on 31 October 2008, being the Scheme Record Date. The last day for processing requests by Old Henderson Group Ordinary Shareholders to convert their Old Henderson Group Ordinary Shares to Old Henderson Group CDIs is 24 October 2008. The processing of requests by New Henderson Group Ordinary Shareholders to convert their New Henderson Group Ordinary Shares to New Henderson Group CDIs will commence on 3 November 2008.

It is expected that the New Henderson Group Ordinary Shares will be issued, their Admission to the Official List will become effective and that dealings on the LSE will commence at 8.00am on 3 November 2008.

On the Scheme Effective Date, all certificates representing Old Henderson Group Ordinary Shares will cease to be valid in respect of such holdings. Definitive share certificates for the New Henderson Group Ordinary Shares of Old Henderson Group Shareholders who held their Old Henderson Group Ordinary Shares in certificated form are expected to be despatched on 7 November 2008. In the case of joint holders, certificates will be despatched to the joint holder whose name appears first in the register. All certificates will be sent by pre-paid first class post at the risk of the person entitled thereto.

Old Henderson Group Ordinary Shares held in uncertificated form will be disabled in CREST on the Scheme Effective Date. For Old Henderson Group Shareholders who hold their Old Henderson Group Ordinary Shares in a CREST account, New Henderson Group Ordinary Shares are expected to be credited to the relevant CREST accounts on 3 November 2008. The New Henderson Group Articles and Jersey law permit the holding of New Henderson Group Ordinary Shares under the CREST system. The Directors will apply for the New Henderson Group Ordinary Shares to be admitted to CREST with effect from Admission of the New Henderson Group Ordinary Shares. Accordingly, settlement of transactions in New Henderson Group Ordinary Shares following Admission may take place within the CREST system. CREST is a voluntary system and holders of New Henderson Group Ordinary Shares who wish to receive and retain share certificates will be able to do so.

New Henderson Group reserves the right to issue New Henderson Group Ordinary Shares to all New Henderson Group Ordinary Shareholders in certificated form if, for any reason, it wishes to do so.

**Australia**
If all the conditions to the Scheme are satisfied, Old Henderson Group intends to seek the delisting of Old Henderson Group from the ASX with effect from 3 November 2008.

The last day of trading in Old Henderson Group CDIs on the ASX is expected to be on 24 October 2008. The last day on which holders of Old Henderson Group CDIs will be able to convert their holdings into Old Henderson Group Ordinary Shares, will be 24 October 2008. The processing of requests by holders of New Henderson Group CDIs to convert their New Henderson Group CDIs to New Henderson Group Ordinary Shares will commence on 3 November 2008. It is expected that trading in New Henderson Group CDIs on a deferred settlement basis will commence on the ASX on 27 October 2008. Normal settlement trading in New Henderson Group CDIs on the ASX is expected to commence on 10 November 2008. Holding statements for New Henderson Group CDIs are expected to be despatched on 7 November 2008.

**Other**
All mandates in force, and duly notified to Old Henderson Group, at the Scheme Record Time relating to the payment of dividends on Old Henderson Group Ordinary Shares or CDIs and all instructions then in force, and duly notified to Old Henderson Group, relating to notices and other communications will, unless and until varied or revoked, be deemed from and including the Scheme Effective Date to be valid and effective mandates or instructions with respect to New Henderson Group in relation to the corresponding holding of New Henderson Group Ordinary Shares or CDIs to be allotted and issued pursuant to the Scheme.

## 13. MEETINGS AND CONSENTS FOR IMPLEMENTATION OF THE SCHEME

The Scheme will require the approval of the Old Henderson Group Shareholders at the Court Meeting, convened pursuant to an order of the Court, and the passing by Old Henderson Group Shareholders of the special resolution and ordinary resolution 2 specified in the notice of the General Meeting. Both Meetings have been convened for 30 September 2008.

New Henderson Group has agreed to appear by Counsel at the hearing of the claim form to sanction the Scheme and to undertake to be bound by the Scheme.

The Scheme also requires a separate sanction from the Court. Notices of the Court Meeting and the General Meeting are contained in PART VI.

(a) Court Meeting

The Court Meeting has been convened for 9.00am (London time), 6.00pm (Sydney time) on 30 September 2008 pursuant to an order of the Court. At the Court Meeting, or at any adjournment thereof, Old Henderson Group Shareholders will consider and, if thought fit, approve the Scheme.

Voting will be by poll at the Court Meeting and each Old Henderson Group Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote for each Old Henderson Group Ordinary Share held. The statutory majority required to approve the Scheme at the Court Meeting is a simple majority in number of the Old Henderson Group Shareholders on the Old Henderson Group share register (but not the Old Henderson Group CDI register) present and voting (either in person or by proxy) at the Court Meeting representing not less than 75% of the nominal value of the Old Henderson Group Ordinary Shares voted by such Old Henderson Group Shareholders.

**In order that the Court can be satisfied that the votes cast constitute a fair representation of the views of the Old Henderson Group Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Old Henderson Group Shareholders are therefore urged to take the action referred to in paragraph 16 below.**

**It is also particularly important for Shareholders to be aware that if the Scheme becomes effective, all Old Henderson Group Shareholders will be bound by the Scheme regardless of whether or how they voted.**

(b) The General Meeting

The General Meeting has been convened for 9.30am (London time), 6.30pm (Sydney time) on 30 September 2008 (or as soon thereafter as the Court Meeting concludes or is adjourned). At the General Meeting or at any adjournment thereof, Old Henderson Group Shareholders will consider and, if thought fit, pass the resolutions set out in the notice of the General Meeting contained in PART VI.

(i) Special Resolution

The special resolution set out in the notice of the General Meeting is proposed in order to approve:

(a) the Scheme;

(b) the cancellation of the Scheme Ordinary Shares pursuant to the Reduction of Capital;

(c) the increase in the share capital of Old Henderson Group to its former amount by the creation of New Ordinary Shares to be issued to New Henderson Group;

(d) the allotment of such New Ordinary Shares by the Old Henderson Group Directors (pursuant to the Scheme);

(e) the change of name of Old Henderson Group to HGI Group Limited upon the Reduction of Capital taking effect; and

(f) the alterations to the Old Henderson Group Articles to (i) ensure that the holders of any Old Henderson Group Ordinary Shares allotted prior to the Scheme Record Time are bound by the Scheme and that any Old Henderson Group Ordinary Shares allotted after the Scheme Effective Date are transferred to New Henderson Group in consideration for the issue of New Henderson Group Ordinary Shares; and (ii) increase the share capital by creating one new A Ordinary Share and set out the rights attaching to the A Ordinary Share.

The majority required for the passing of the special resolution is not less than 75% of the votes cast. Each Old Henderson Group Shareholder present in person or by proxy will have one vote for each Old Henderson Group Ordinary Share held.

(ii) Ordinary Resolutions

The ordinary resolutions set out in the notice of the General Meeting are proposed in order to (i) grant the authority to allot one A Ordinary Share; and (ii) and approve the adoption by New Henderson Group of the New Henderson Group Share Plans described in paragraph 7 of PART IV.

A resolution of New Henderson Group has already been passed which, among other matters, grants the New Henderson Group Directors authority to issue and allot New Henderson Group Ordinary Shares in connection with the implementation of the Scheme.

The Directors of both Old Henderson Group and New Henderson Group have been granted authorities pursuant to resolutions already passed by Old Henderson Group or New Henderson Group, as appropriate, to make allotments otherwise than in accordance with pre-emption rights, to make market purchases of New Henderson Group Ordinary Shares and to enter into a contingent purchase contract to purchase New Henderson Group Ordinary Shares converted from CDIs purchased on the ASX.

For additional information on the authorities relating to New Henderson Group's share capital which have been granted, see paragraph 3.4 of PART 6 of the Prospectus (which is available from the website and addresses set out in paragraph 14 below).

## 14. PROSPECTUS

The Prospectus relating to New Henderson Group, which is required to be published to effect the introduction of the New Henderson Group Ordinary Shares to the Official List, is available in electronic form on the Henderson Group website at http://go.henderson.com/nhg, and in hard copy at Old Henderson Group's registered office at 4 Broadgate, London, EC2M 2DA, UK and at the registered office of New Henderson Group at 47 Esplanade, St Helier, Jersey JE1 0BD.

The Prospectus contains information including financial information, a business overview, an operating and financial review and a section of additional information, including details of the remuneration and interests of the New Henderson Group Directors, material contracts and capital resources and details of material litigation concerning the Henderson Group, all of which will be relevant to New Henderson Group as the new holding company of the Henderson Group.

## 15. FURTHER INFORMATION

Your attention is drawn to the letter from your Chairman in PART I (which forms part of this explanatory statement) and to the Scheme set out in PART V. Copies of:

(a) the Old Henderson Group Articles;

(b) the New Henderson Group Articles;

(c) the proposed amended articles of association for Old Henderson Group;

(d) the rules of the Old Henderson Group Share Plans;

(e) the rules of the New Henderson Group Share Plans;

(f) this document;

(g) the Prospectus; and

(h) the IAS rules;

can be inspected at the offices of Old Henderson Group's solicitors, Freshfields Bruckhaus Deringer LLP, 65 Fleet Street, London, EC4Y 1HS and the registered office of Old Henderson Group at 4 Broadgate, London, EC2M 2DA during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this document to the close of business on the date of the Court Meeting and the General Meeting on 30 September 2008. Copies of these documents will also be available for inspection for at least 15 minutes prior to and during the Court Meeting and the General Meeting on 30 September 2008. This document and the Prospectus are also available on the Henderson Group website at http://go.henderson.com/nhg.

In the case of joint holders of Old Henderson Group Ordinary Shares, one copy of this document is being delivered to the first registered joint holder. Further copies of this document and the Prospectus may be requested from the Henderson Group Share Registry at The Pavilions, Bridgwater Road, Bristol, BS99 6AH or by telephone on 0800 073 3916; in Australia, GPO Box 4578, Melbourne, Victoria 8060 or by telephone on 1300 137 981; or in New Zealand, Private Bag 92119, Auckland 1142 or by telephone on 0800 888 017.

## 16. ACTION TO BE TAKEN

Proxy Forms are enclosed as follows:

(a) for the Court Meeting, a white Proxy Form/CDI Voting Instruction Form; and

(b) for the General Meeting, a purple Proxy Form/CDI Voting Instruction Form.

There are different voting procedures depending on whether you hold your Old Henderson Group Ordinary Shares traded on the LSE or if you hold Old Henderson Group CDIs traded on the ASX. Please read the voting instructions on pages VI and VII of PART VI carefully to ensure you are aware of the arrangements appropriate for you. Your Proxy Forms or CDI Voting Instruction Forms (either online or paper) need to be lodged so that they reach the Henderson Group Share Registry by the times and dates specified on your forms.

Shareholders (but not CDI holders) may hand the white Proxy Form in respect of the Court Meeting to the Chairman at the Court Meeting before the start of the meeting. However, in the case of the General Meeting the purple Proxy Form will be invalid unless it is lodged so as to be received at least 48 hours before the time appointed for the General Meeting.

Yours faithfully

T. P. Wise
for and on behalf of
JPMorgan Cazenove Limited

J. H. Humphrey
for and on behalf of
UBS Investment Bank

## 1. SUMMARY OF PRINCIPAL DIFFERENCES BETWEEN THE OLD HENDERSON GROUP ARTICLES AND NEW HENDERSON GROUP ARTICLES

Under the UK Companies Act, an English company must state the purposes for which it is formed in the objects clause of the memorandum of association. However, from 1 October 2009, an English company will no longer be required to have an objects clause. Under Jersey Companies Law, a company is not required to have an objects clause. New Henderson Group does not therefore have an objects clause and accordingly is not restricted in terms of capacity and objects as a matter of Jersey Companies Law.

The principal differences between the Old Henderson Group Articles and the New Henderson Group Articles are explained below. Some of the differences arise by reason of New Henderson Group being a company incorporated in Jersey and not in England. As further described in paragraph 4 of this PART IV, there are a number of differences between Jersey Companies Law and the UK Companies Act which may impact on the rights of holders of New Henderson Group Ordinary Shares. As such, where appropriate and subject to Jersey Companies Law, provisions have been incorporated into the New Henderson Group Articles to include certain rights that are not conferred by Jersey Companies Law. Certain amendments have also been made to reflect current practice in relation to articles of association of companies listed on the LSE and the ASX. The provisions in the Old Henderson Group Articles relating to CDIs have been included in the New Henderson Group Articles.

The principal differences are:

(a) to reflect Jersey law requirements that an increase or any alteration to the authorised share capital of New Henderson Group requires the sanction of a special resolution rather than an ordinary resolution (but see paragraph 4 of this PART IV in relation to the majority required for a special resolution under Jersey law);

(b) as Jersey law does not have the equivalent of section 80 of the UK Companies Act 1985 requiring the directors to be authorised to allot shares by way of ordinary resolution or a company's articles and does not confer any statutory pre-emption rights on the allotment of shares for cash, provision is made in the New Henderson Group Articles broadly to replicate the statutory position under English law relating to such matters;

(c) to incorporate into the New Henderson Group Articles provisions that are based on section 793 of the UK Companies Act entitling a company to serve notices on persons so as to establish details of ownership of its shares;

(d) to include provisions to cater for the IAS plan which may, at the discretion of the New Henderson Group Board, be implemented after the Scheme Effective Date, in particular, to provide that, where any amount paid by way of a dividend by a subsidiary of New Henderson Group is received (or treated as received) by the IAS Trustee and paid to New Henderson Group Shareholders who have made (or are deemed to have made) an IAS Election, the entitlement of those New Henderson Group Shareholders in respect of dividends announced or declared by New Henderson Group will be reduced by the amount that has been paid to them by or on behalf of the IAS Trustee;

(e) to permit New Henderson Group to send summary financial statements to a shareholder instead of full financial statements and to allow it to do so if it sends notice of its intention to a shareholder, and the shareholder fails to respond to such notice, in a similar way to which Old Henderson Group would have been entitled under English law although, as a matter of Jersey Companies Law, shareholders are entitled, if they so request, to receive a copy of a company's full financial statements if they have not already received them;

(f) to permit a nominee holder of shares to require that 'information rights' (the right to receive a copy of all communications sent by a company to its shareholders) be granted to the person for whom the nominee holds shares, broadly replicating the provisions of section 146 of the UK Companies Act;

(g) to include provisions entitling an independent scrutiny of any poll taken, or to be taken, at a general meeting, so as to broadly replicate the position under the UK Companies Act;

(h) to include certain provisions relating to shareholders' rights to require New Henderson Group to circulate members' resolutions proposed to be moved at the next annual general meeting and to circulate explanatory statements relating to resolutions to be dealt with at a meeting, as well as the right for the shareholders to have published on the Henderson Group website statements setting out any matters concerning the audit of New Henderson Group's accounts or circumstances in which an auditor ceases to hold office, broadly replicating the position under the UK Companies Act;

(i) to allow members to appoint multiple proxies and for proxies to speak and vote on a show of hands replicating the position under the UK Companies Act;

(j) to require the approval of Shareholders for any payment made by New Henderson Group to a director (or a person connected to him) as compensation for loss of office;

(k) to reflect that Jersey Companies Law allows companies to pay dividends out of capital sources other than distributable reserves including the share premium account and there is no formal restriction under the Jersey Companies Law in respect of making distributions from a distributable reserve account that is in deficit;

(l) to require that members must comply with the rules contained in DTR 5 of the Disclosure and Transparency Rules relating to disclosure of major shareholdings and other controlling voting rights in New Henderson Group as if it were a UK-incorporated company; and

(m) to clarify that directors are not accountable for any benefit by virtue of insurance taken out in favour of the directors against any liability.

Notwithstanding the differences between the New Henderson Group Articles and the Old Henderson Group Articles outlined above, with effect from the Scheme Effective Date, the voting rights relating to New Henderson Group Ordinary Shares will be substantially the same as the Old Henderson Group Ordinary Shares.

The provisions of the New Henderson Group Articles are further described in paragraph 3 of this PART IV below and paragraph 5 of PART 6 of the Prospectus. Copies of the Old Henderson Group Articles and the New Henderson Group Articles are also available for inspection as described in paragraph 15 of PART III of this document.

## 2. AMENDMENTS TO OLD HENDERSON GROUP ARTICLES

Old Henderson Group will, subject to the Old Henderson Group Shareholders approving the relevant resolutions at the General Meeting, create one A Ordinary Share and, prior to the Court Hearing, allot and issue such A Ordinary Share to New Henderson Group. The A Ordinary Share will rank *pari passu* with the Old Henderson Group Ordinary Shares except it will not entitle the holder to attend or vote at any general meeting of Old Henderson Group. The rights attaching to the A Ordinary Share are set out in the proposed amendments to the Old Henderson Group Articles, which are set out in the notice of the General Meeting.

## 3. SUMMARY OF THE NEW HENDERSON GROUP ARTICLES

The New Henderson Group Articles include provisions to the following effect:

### 3.1 Alteration of share capital

New Henderson Group may by special resolution increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe or alter its share capital in any manner permitted by Jersey Companies Law. Subject to the provisions of Jersey Companies Law, New Henderson Group may by special resolution reduce its share capital, share premium account, capital redemption reserve or other non-distributable reserve in any way.

### 3.2 Purchase of own shares

Subject to and in accordance with Jersey Companies Law and to any special rights attached to any class of shares, New Henderson Group may purchase any of its own shares of any class (including without limitation redeemable shares) in any way and at any price and may hold such shares as treasury shares.

### 3.3 Share rights

Subject to Jersey Companies Law and subject to, and without prejudice to, any rights attached to any existing shares, any share in New Henderson Group may be issued with or have attached to it such rights and restrictions as New Henderson Group may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the New Henderson Group Board may decide.

Subject to Jersey Companies Law and to any rights attached to any existing shares, New Henderson Group may issue shares which are to be redeemed or, at the option of New Henderson Group or the holder are liable to be redeemed.

### 3.4 Allotment of securities and pre-emption rights

Subject to the provisions of Jersey Companies Law, the New Henderson Group Articles and any resolution of New Henderson Group passed by New Henderson Group conferring authority on the directors to allot shares, as referred to below and without prejudice to any rights attached to existing shares, all unissued shares are at the disposal of the New Henderson Group Board which may reclassify, allot, grant options over or otherwise dispose of them to persons at such times and for such consideration and on such terms as the Board may decide. The Board has the power to allot shares subject to authority granted by New Henderson Group by ordinary resolution which shall provide for (i) the number of shares which may be issued by the Board generally and unconditionally; and (ii) the expiry of such authority. Although Jersey Companies Law does not provide any statutory pre-emption rights, the New Henderson Group Articles provide that shares issued wholly for cash by New Henderson Group must first be offered to existing Shareholders in proportion to their respective holdings of New Henderson Group Ordinary Shares (i.e. the provisions relating to statutory pre-emption rights under English companies law has been broadly replicated in the New Henderson Group Articles) except that such pre-emption rights shall not apply where they are disapplied by way of a resolution passed by a majority of three-quarters of the holders of shares of the class who (being entitled to do so) vote in person or by proxy at a separate general meeting of such holders, are issued in connection with an employee share plan or in respect of treasury shares.

### 3.5 Share certificates

Every member on becoming the holder of any certificated share (except a recognised person in respect of whom New Henderson Group is not by law required to issue a certificate) whose name is entered on the New Henderson Group register of members as a holder of any certificated shares is entitled, without payment, to one certificate in respect of all shares of any class held by him. In the case of joint holders, delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

### 3.6 Call, forfeiture and lien

The New Henderson Group Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares, (whether in respect of nominal value or premium). Each member shall (subject to being given at least 14 clear days' notice specifying where and when payment is to be made) pay to New Henderson Group the specified amount called on his shares. If any call or instalment of a call remains unpaid on or after the due date for payment the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be paid at a fixed rate, fixed by the terms of the allotment of the share or in the notice of call or if no rate is fixed, the rate determined by the Board not exceeding 15% per annum, or if higher the appropriate rate (as defined in the UK Companies Act 2006).

New Henderson Group shall have a first and paramount lien on every share (not being a fully-paid share) for all amounts payable to New Henderson Group (whether presently payable or not) in respect of such share. The Board may waive any lien which has arisen or declare any share to be wholly or partly exempt from the provisions relating to liens in the New Henderson Articles. New Henderson Group may sell, in such manner as the Board may decide, any share on which New Henderson Group has a lien if any sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after a notice demanding payment and stating that the share may be sold for non-compliance with such notice shall have been given to the holder of the share or to the person entitled to it by transmission.

### 3.7 Variation of rights

Subject to the provisions of Jersey Companies Law and to any rights attached to existing shares (and except in the case where there is only one holder of the issued shares of a class of shares, in which case any and all rights attached to an existing class of shares may be varied only with the consent in writing of that holder), all or any of the rights attached to any class of shares may be varied either with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of the class (excluding any treasury shares) or the sanction of a resolution passed by a majority of three-quarters of the holders of shares of the class who (being entitled to do so) vote in person or by proxy at a separate general meeting of such holders.

### 3.8 Transfer of shares

(a) Without prejudice to any power of New Henderson Group to register as shareholder a person to whom the right to any share has been transmitted by operation of law, the instrument of transfer of a certificate share may be in the usual form or by any other form approved by the New Henderson Group Board and shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

(b) Any member may transfer all or any of his shares which are in uncertificated form, subject to the CREST Regulations, by means of a relevant system, provided that legal title to such shares shall not pass until the transfer is entered in the register.

(c) The New Henderson Group Board may refuse to register the transfer of a share in certificated form unless the instrument of transfer:

(i) is left at the registered office of New Henderson Group (or at another place as the Board may from time to time determine) accompanied by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

(ii) is in respect of one class of share only; and

(iii) in the case of a transfer to joint holders, is in favour of not more than four persons.

(d) If the New Henderson Group Board refuses to register a transfer of a share in certificated form it shall send the transferee notice of its refusal within two months after the date on which the instrument of transfer was lodged with New Henderson Group.

(e) No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to a share, or for making any other entry in the register.

**3.9 General meetings**

(a) All general meetings of New Henderson Group other than annual general meetings shall be called general meetings.

(b) The New Henderson Group Board shall convene and New Henderson Group shall hold general meetings as annual general meetings in accordance with Jersey Companies Law. The Board may convene general meetings whenever it thinks fit.

(c) An annual general meeting shall be called by at least 21 clear days notice. All other general meetings shall be called by at least 14 clear days notice. Subject to the provisions of Jersey Companies Law, the provisions of the New Henderson Group Articles and to any restrictions imposed on any shares, the notice shall be made available to all the members, to all CDI holders, to each of the New Henderson Group Directors and to the auditors.

(d) The notice shall specify the place, day and time of the meeting and the general nature of the business to be transacted at the meeting.

(e) In the case of an annual general meeting, the notice shall specify the meeting as such. In the case of a meeting to pass a special resolution the notice shall specify the intention to propose the resolution as a special resolution.

(f) For the purpose of determining whether a person is entitled as a member to attend or vote at a meeting and how many votes such person may cast, New Henderson Group may specify in the notice of the meeting a time not more than 48 hours before the time fixed for the meeting, by which a person who holds shares in registered form must be entered on the register in order to have the right to attend or vote at the meeting or to appoint a proxy to do so.

(g) Subject to the ASTC Settlement Rules (as defined in the New Henderson Group Articles), for the purpose of determining whether a person is entitled as a CDI holder to direct CDN how to vote, or to instruct CDN to appoint a proxy, or to receive a CDI Voting Notice (as defined in the New Henderson Group Articles), to be paid dividends, and, where relevant, the number of CDIs in respect of which he is so entitled, New Henderson Group may determine that the CDI holders so entitled shall be the persons entered on the CDI register at the close of business on any date specified for the particular purpose.

(h) The New Henderson Group Board may resolve to enable persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world and any members in attendance in person or by proxy at any such meeting shall be counted in the quorum and entitled to vote at the general meeting.

(i) Members representing at least 5% of the total voting rights of all members who are entitled to vote on the resolution at the annual general meeting to which the request relates (excluding any voting right attached to any shares in New Henderson Group held as treasury shares), or not less than 100 members who have a relevant right to vote on such resolution and who hold shares in New Henderson Group on which there has been paid up an average sum, per member, of at least £100, may require New Henderson Group to circulate notice of a resolution which may be, and is intended to be, moved at that annual general meeting to members and if so required New Henderson Group shall, unless the resolution would if passed be ineffective, is defamatory of any person or is frivolous or vexatious, give such notice in the same manner as set out in section 339(1) to 339(2) of the UK Companies Act 2006.

(j) Members representing at least 5% of the total voting rights of all members who, in relation to a proposed resolution, are entitled to vote on that resolution at the meeting to which the request relates, or in relation to any other matter, are entitled to vote at the meeting to which the request relates (a "**relevant right to vote**") (excluding any voting right attached to any shares in New Henderson Group held as treasury shares) or, not less than 100 members who have a relevant right to vote and on which there has been paid up an average sum, per member, of at least £100, may require New Henderson Group to circulate to members an explanatory statement of not more than 1,000 words with respect to a matter referred to in the proposed resolution to be dealt with at the meeting to which the request relates, or to any other business to be dealt with at that meeting. However, New Henderson Group has the right to apply to the Royal Court of Jersey to seek a ruling that it is not required to circulate a members' statement on the basis that the rights in the New Henderson Group Articles are being abused.

(k) Members representing at least 5% of the total voting rights of all members who are entitled to vote on the matter to which a poll relates (excluding any voting rights attributed to any shares in New Henderson Group held as treasury shares) and not less than 100 members who have a relevant right to vote and on which there has been paid up an average sum per member of at least £100 may require the Directors to obtain an independent report on any poll taken or to be taken at a general meeting of New Henderson Group.

(l) The statutory right of a member under the UK Companies Act to nominate a person, on whose behalf he holds shares, to enjoy rights to receive a copy of all communications that New Henderson Group sends to its members generally has broadly been replicated in the New Henderson Group Articles (that is, the provisions of sections 146 to 149 of the UK Companies Act have been broadly replicated in the New Henderson Group Articles).

(m) All special resolutions put to the vote of a general meeting shall be decided by way of poll. All other resolutions put to the vote shall be decided upon by a show of hands unless a poll is validly demanded. Subject to any rights and restrictions attached to any shares, members and their duly appointed proxies shall have the right to attend and speak at general meetings and to vote, and to demand or join in demanding a poll.

On a show of hands every member who is present in person shall have one vote and every proxy present who has been duly appointed by a member entitled to vote on the resolution has one vote. On a poll every member present or (except in the case of a proxy appointed by CDN) by proxy shall have one vote for every share of which he is the holder.

At every general meeting of New Henderson Group each person who is a holder of CDIs shall have the right, in respect of the number of CDIs held by them to direct CDN as to how it should vote with respect to the resolutions described in a notice of general meeting, to appoint him as its proxy or to appoint as its proxy a person nominated by him.

(n) No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares unless all moneys presently payable by him or in respect of his shares have been paid.

(o) A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the capital of New Henderson Group.

(p) The Chairman may at any time, without the consent of the meeting, adjourn the meeting.

**3.10 Power to require website publication of audit concerns**

Where so requested by members representing at least 5% of the total voting rights of all the members who have a right to vote at the general meeting at which the accounts of New Henderson Group are laid, or by at least 100 members who have such right to vote and hold shares in New Henderson Group on which there has been paid up an average sum, per member, of at least £100, New Henderson Group shall publish on its website a statement setting out any matter relating to the audit of New Henderson Group's accounts or any circumstances connected with an auditor of New Henderson Group ceasing to hold office except where the New Henderson Group Board believes in good faith that the rights so conferred are being abused. The above provisions only apply to accounts for financial years beginning on or after 6 April 2008 and to auditors appointed for financial years beginning on or after 6 April 2008.

**3.11 Voting rights**

Subject to any special terms as to voting attached to any shares and to the New Henderson Group Articles, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A member may appoint more than one proxy.

No member shall be entitled to vote at any general meeting unless all moneys presently payable by him in respect of shares in New Henderson Group have been paid.

**3.12 Directors**

(a) Appointment of Directors

Unless otherwise determined by ordinary resolution, the number of Directors shall be not less than three, nor more than 15 in number. Directors may be appointed by ordinary resolution or by the New Henderson Group Board. At every annual general meeting one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but if any Director has at the start of the annual general meeting been in office for three years or more since his last appointment or re-appointment, he shall retire at that annual general meeting.

The Board or a committee authorised by the Board may appoint any one or more Directors to be an employee or an Executive Director for such period and on such terms as the Board or committee may decide.

(b) No share qualification

A Director shall not be required to hold any shares in the capital of New Henderson Group by way of qualification.

(c) Retirement of Directors by rotation

The Directors to retire by rotation shall be first, those who wish to retire and not be re-appointed to office, and second, those who have been in office longest since their last appointment or reappointment. As between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. No Director shall be required to retire or be relieved from retiring or to be retired by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting.

(d) Remuneration of Directors

The emoluments of any Executive Director shall be determined by the Board.

The ordinary remuneration of the Directors who do not hold executive office for their services (excluding amounts payable under any other provision of the New Henderson Group Articles) shall not exceed in aggregate £700,000 per annum or such higher amount as New Henderson Group may from time to time by ordinary resolution determine. Subject thereto, each such Director shall be paid a fee for their services (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the Board.

Any Director who does not hold executive office and who performs special services which, in the opinion of the Board, go beyond the ordinary duties of a director, may be paid such extra remuneration as the Board may, in its discretion, determine.

The Directors are entitled under the New Henderson Group Articles to be paid all reasonable expenses as they may incur in attending and returning from meetings of the Directors or of any committee of the Directors or shareholders' meetings or otherwise in connection with the business of New Henderson Group. The Board or any other committee may exercise all the powers of New Henderson Group to provide benefits, whether by payment of gratuities or pensions or by insurance or in any other manner for any Director or former Directors, or relations or dependants of, or persons connected to, any Director or former Director.

(e) Compensation for loss of office

The provisions contained in sections 215 to 221 of the UK Companies Act in relation to payments made to Directors (or a person connected to such Directors) for loss of office and the circumstances in which such payments would require the approval of members broadly apply to New Henderson Group, and New Henderson Group shall comply with such provisions as if it were a company incorporated in the United Kingdom.

(f) Permitted interests of Directors

Subject to the provisions of Jersey Companies Law and provided that where a Director who, to his knowledge, is in any way directly or indirectly interested in a contract, transaction or arrangement with New Henderson Group or any of its subsidiaries and such interest conflicts or may conflict to a material extent with the interests of New Henderson Group, has disclosed to the Board (at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case as soon as practical after that meeting, by notice in writing delivered to the secretary, at the first meeting of the Board after he knows that he is or has become so interested) the nature and extent of his interest, a Director, notwithstanding his office:

(i) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with New Henderson Group (including in relation to any insurance proposal which New Henderson Group proposes to maintain or purchase for the benefit of the Directors) or in which New Henderson Group is otherwise interested;

(ii) may hold any other office or place of profit under New Henderson Group (except that of auditor or of auditor of a subsidiary of New Henderson Group) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for New Henderson Group, and in any such case on such terms as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article;

(iii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by New Henderson Group or in which New Henderson Group is otherwise interested or as regards which New Henderson Group has any powers of appointment; and

(iv) shall not be liable to account to New Henderson Group for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal,

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

(g) Restrictions on voting

Except as otherwise provided in the New Henderson Group Articles, a Director shall not vote on (but shall still be counted in the quorum in relation to) any resolution of the Board concerning a contract, transaction or arrangement in which he has an interest which (taken together with any interests of any person connected with him) is, to his knowledge, a material interest, but these prohibitions shall not apply to:

(i) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him, or any other persons at the request of, or for the benefit of, New Henderson Group or any of its subsidiary undertakings;

(ii) the giving of a guarantee, indemnity or security in respect of a debt or obligation of New Henderson Group or any of its subsidiary undertakings for which the director has assumed responsibility (in whole or part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;

(iii) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of New Henderson Group or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

(iv) a contract, arrangement, transaction or proposal concerning any other body corporate in which he or any person connected with him does not to his knowledge have an interest in one percent or more of the issued equity share capital of any class of such body corporate or of the voting rights available to members of the relevant body corporate;

(v) a contract, arrangement, transaction or proposal for the benefit of employees of New Henderson Group or of any of its subsidiary undertakings which does not award him any privilege or benefit not generally accorded to the employees to whom the arrangement relates; or

(vi) a contract, arrangement, transaction or proposal concerning any insurance which New Henderson Group is empowered to purchase or maintain for, or for the benefit of, any Directors of New Henderson Group or for persons who include Directors of New Henderson Group.

New Henderson Group may by ordinary resolution suspend or relax the above provisions to any extent or ratify any transaction not duly authorised by reason of a contravention of such provisions.

A Director shall not vote (but shall be counted in the quorum) on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with New Henderson Group or any body corporate in which New Henderson Group is interested. Where proposals are under consideration concerning the appointment of two or more Directors to offices or places of profit with New Henderson Group or any body corporate in which New Henderson Group is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote in respect of each resolution except that

concerning his own appointment and for the avoidance of doubt shall be still be counted in the quorum for any resolution concerning his own appointment.

An interest of a person who is for the purposes of the UK Companies Act 2006 connected with a Director shall be treated as an interest of the Director, provided that Director is aware of such interest.

(h) Notification

Subject to the Companies Law, a Director shall be under no duty to New Henderson Group with respect to any information which he obtains or has obtained otherwise than as a Director of New Henderson Group and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or may give rise to a conflict of interest and such conflict or potential conflict has been approved by the Board the Director shall not be in breach of the general duties he owes to New Henderson Group by virtue of Article 74 of the Jersey Companies Law or any other applicable law because he fails to disclose any such information to the Board or to any Director or other officer or employee of New Henderson Group and/or to use or apply any such information in performing his duties as a director of New Henderson Group.

Subject to the Companies Law, where the existence of a Director's relationship with another person has been approved by the Board and his relationship with that person gives rise to a conflict of interest or may give rise to a conflict of interest, the Director shall not be in breach of the general duties he owes to New Henderson Group by virtue of Article 74 of the Jersey Companies Law or any other applicable law because he absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise and/or makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by New Henderson Group and/or for such documents to be received and read by a professional adviser.

(i) Indemnity of officers

Jersey Companies Law restricts indemnities or exemptions from liability given by Jersey companies to their directors and officers. In general, directors and officers of a Jersey company cannot be exempted from or receive an indemnity in respect of any liability which would otherwise attach to that director or officer under law by reason of the fact that they are or were a director or officer of the company. There are exemptions to this restriction in particular in respect of proceedings where the director or officer is not held liable or the matter is discontinued, where the director or officer acted in good faith in the best interests of the company and in respect of any liability for which the company normally maintains insurance. The New Henderson Group Articles provide that a Director may be indemnified out of the assets of New Henderson Group to the extent this is legally permissible under Jersey Companies Law.

**3.13 Dividends and other distributions**

(a) Subject to the provisions of Jersey Companies Law, New Henderson Group may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Board.

(b) Subject to the provisions of Jersey Companies Law, the Board may pay interim dividends if and insofar as it appears to the Board to be justified by the profits or the cash flow position of New Henderson Group.

(c) New Henderson Group may, upon the recommendation of the Board, by ordinary resolution, direct payment of a dividend to be satisfied wholly or partly by the distribution of assets and the Board shall give effect to such resolution.

(d) The Board may, if authorised by an ordinary resolution of New Henderson Group, offer any holder of shares the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of all or any dividend specified by such ordinary resolution.

(e) Except as otherwise provided by the rights attaching to or terms of issue of any shares or the terms of issue thereof or pursuant to the IAS plan, all dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.

(f) No dividend or other moneys payable in respect of a share shall bear interest against New Henderson Group, unless otherwise provided by the rights attached to the share.

(g) The Directors may deduct from any dividend or other moneys payable to a holder of shares on or in respect of such shares all sums of money (if any) presently payable by the holder to New Henderson Group on account of calls or otherwise in relation to such shares.

(h) Any dividend or other moneys payable in respect of a share may be paid by, any direct debit, bank or other funds transfer system to the holder or person entitled to payment or, if practicable, to a person designated by notice to New Henderson Group by the holder or person entitled to payment; or by any other method approved by the Board and agreed by the holder or person entitled to payment including without limitation in respect of an uncertificated share by means of the relevant system (subject to the facilities and requirements of the relevant system).

(i) Any dividend or other moneys unclaimed after a period of 12 years from the date on which it became payable shall, if the Board so resolves, be forfeited and cease to remain owing by New Henderson Group.

(j) As further described in paragraph 5 of this PART IV, all New Henderson Group Shareholders will, unless the New Henderson Group Shareholder has notified New Henderson Group in writing to the contrary, be deemed to have elected to receive their dividends from IAS Issuer under the IAS plan which is intended to be put in place.

However, there can be no certainty that those who have elected or are deemed to have elected to receive their dividends under the IAS plan will be able to do so, as the Directors of IAS Issuer will have discretion to decide whether or not to pay dividends on the IAS and on the level of any dividends so paid and will have to consider the financial condition and distributable reserves of IAS Issuer before paying any dividend under the IAS plan. Pursuant to the New Henderson Group Articles, where any dividends paid on the IAS are received to the order of the IAS Trustee and are paid by or on behalf of the IAS Trustee to New Henderson Group Shareholders who have made (or are deemed to have made) an IAS Election, the entitlement of such New Henderson Group Shareholders in respect of dividends announced or declared by New Henderson Group will be reduced by the amount that has been paid to them by or on behalf of the IAS Trustee. To the extent dividends are not paid to such New Henderson Group Shareholders by or on behalf of the IAS Trustee then the shortfall will be made up out of dividends on the New Henderson Group Ordinary Shares. The IAS plan may be suspended or terminated at any time and for any reason by New Henderson Group, without financial recompense.

### 3.14 Capitalisation of profits and reserves

The New Henderson Group Board may with the authority of an ordinary resolution of New Henderson Group (or a special resolution if required under the Companies Law) resolve to capitalise any undistributed profits of New Henderson Group not required for paying any preferential dividend or any sum standing to the credit of any reserve or other fund.

### 3.15 Winding up

Under Jersey Companies Law, except as provided by the rights and restrictions attached to any class of shares, the holders of New Henderson Group Ordinary Shares will be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings. Pursuant to the New Henderson Group Articles, New Henderson Group may, with the sanction of a special resolution and any other sanction required by Jersey Companies Law, divide among the members in kind the whole or any part of the assets of New Henderson Group and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members.

In addition, Shareholders should be aware of the differences between English and Jersey company law set out in paragraph 4 of this PART IV.

### 3.16 Disclosure of beneficial ownership

Although Jersey Companies Law does not contain equivalent provisions to section 793 of the UK Companies Act, the New Henderson Group Articles provide that, if at any time any holder of shares, or any other person (as appropriate) has been served with a disclosure notice from the New Henderson Group and has not complied with such notice or supplied the information required to New Henderson Group within a period of 14 days following service of the disclosure notice, then New Henderson Group may serve a further notice on the holder of those shares (an "application notice") to the effect that from the service of the application notice the Company may apply to the Royal Court of Jersey for an order compelling the relevant holder of shares to comply with the terms of the New Henderson Group Articles and the Company will be fully indemnified by the relevant holder of shares in respect of which an application notice has been served in respect of all costs, liabilities and expenses (including legal fees) in respect of such application.

## 4. DIFFERENCES BETWEEN ENGLISH AND JERSEY COMPANY LAW AND IMPLICATIONS OF NEW HENDERSON GROUP BEING A JERSEY INCORPORATED COMPANY

There are a number of differences between the UK Companies Act and Jersey Companies Law which may impact upon the rights of holders of New Henderson Group Ordinary Shares. However, where it was thought appropriate to confer similar rights and protections to holders of New Henderson Group Ordinary Shares, and where permitted under Jersey Companies Law, provisions replicating the position under English law have been incorporated into the New Henderson Group Articles, as described in the summary setting out the principal differences between Old Henderson Group Articles and New Henderson Group Articles contained in paragraph 1 of this PART IV. A fuller description of certain provisions of the New Henderson Group Articles is set out in paragraphs 3.1 to 3.16 of this PART IV. The differences between the UK Companies Act and Jersey Companies Law include (without limitation) the following:

(a) Jersey Companies Law does not confer statutory pre-emption rights on shareholders relating to new share issues but pre-emption rights broadly based on the provisions of the UK Companies Act 1985 have been included in the New Henderson Group Articles;

(b) the Directors do not need the sanction of the shareholders to issue and allot shares but the requirement to obtain such sanction has been included in the New Henderson Group Articles in such a way as if, broadly, the relevant provisions of the UK Companies Act 1985 applied to New Henderson Group. Under the New Henderson Group Articles, the Directors may allot shares where such power has been sanctioned by ordinary resolution in respect of the amount of shares that can be allotted in any given period. These restrictions may be lifted under the New Henderson Group Articles by a special resolution of the shareholders;

(c) Jersey law allows for shares to be allotted even if they are not paid up to at least one-quarter of its nominal value;

(d) any increase in the share capital of a company requires a special resolution (two-thirds majority) rather than an ordinary resolution (a simple majority);

(e) a special resolution is required to be passed by two-thirds of shareholders present (in person or by proxy) at the relevant meeting (compared with a 75% majority required under English law). Thus, for example, a buy-back of shares requiring the sanction of a special resolution will only require a two-thirds majority instead of a 75% majority;

(f) the circumstances in which Jersey Companies Law permits a Jersey company to indemnify its directors in respect of liabilities incurred by the directors in carrying out their duties are limited, albeit in a slightly different manner to English companies. There is however, no general prohibition on the granting of loans by a company to its directors (although directors remain subject to fiduciary duties when considering the grant of any such loans) and any costs incurred in defending any proceedings which relate to anything done or omitted by that director in carrying out his duties may be funded by way of loans from New Henderson Group;

(g) unless the articles of association of a public company provide otherwise, proxies are not entitled to speak or vote on a show of hands under Jersey law. The New Henderson Group Articles will provide that a proxy can speak and vote on a show of hands. Jersey law does not permit the appointment of more than one corporate representative by a member in respect of the same shareholding;

(h) Jersey Companies Law does not require the directors of a Jersey company to disclose to the company their beneficial ownership of any shares in the company (although they must disclose to the company the nature and extent of any direct or indirect interest which conflicts to a material extent with or may conflict with, the interests of the company and of which they are aware, for instance in connection with a transaction into which the company or any of its subsidiaries is proposing to enter). However, as a London-listed company, New Henderson Group and shareholders in New Henderson Group will be required to comply with the Disclosure and Transparency Rules which contain such requirements (Chapter 3 of the Disclosure and Transparency Rules require the disclosure of such interests by the directors);

(i) Jersey law does not require that shareholders approve compensation payments made to directors for loss of office, whereas under English law, a payment by a company for loss of office to a director of a company or its holding company must be approved by a resolution of shareholders. However, the position under English law has been broadly replicated in the New Henderson Group Articles.

(j) Jersey Companies Law does not grant the directors of a Jersey company a statutory power to request information concerning the beneficial ownership of shares, but powers based on section 793 of the UK Companies Act have been incorporated into the New Henderson Group Articles entitling the Directors to request information to establish details of interests in shares in New Henderson Group;

(k) under Jersey Companies Law, shareholders holding not less than one-tenth of the total voting rights of the shareholders of the company may requisition a meeting of shareholders whereas under the UK Companies Act, this right may be exercised by shareholders representing at least 10% of the paid up voting capital of the company;

(l) Jersey Companies Law does not confer rights on members to require a company to circulate resolutions proposed to be moved by members at the next annual general meeting, or to circulate explanatory statements relating to any matter relating to a proposed resolution at a general meeting, or rights to an independent scrutiny of a poll taken or to be taken at a general meeting, or rights for a nominee holder of shares to have information rights granted to the underlying beneficial owner of the share, but all these rights have been incorporated into the New Henderson Group Articles, as described in paragraphs 2.9(i), 3.9(j), 3.9(k) and 3.9(l) of this PART IV;

(m) there is no restriction on donations by a company to political organisations under Jersey law;

(n) under Jersey Companies Law, at a meeting of shareholders, a poll may be demanded in respect of any question by: (i) no fewer than five shareholders having the right to vote on the question; or (ii) a shareholder or shareholders representing not less than one tenth of the total voting rights of all shareholders having the right to vote on the question whereas, in addition, under the UK Companies Act, a shareholder or shareholders representing 10% of the total sum paid up on all shares giving the right to vote may also demand a poll;

(o) under Jersey law, it may be more difficult for shareholders to bring a derivative claim against a company than is the case under the UK Companies Act. However, Jersey law includes an equivalent provision relating to protection of shareholders against unfair prejudice (which, in English law, has not changed substantially between the UK Companies Act 1985 and the UK Companies Act) and Jersey has a broadly similar position under customary law to the common law position under English law in this regard; and

(p) under Jersey law, the two procedures for dissolving a Jersey company are winding up and *désastre*. Concepts such as receivership, administration and voluntary arrangements do not exist under Jersey law. The concept of a winding up is broadly similar to that under English law, except that under Jersey law, a winding up may only be commenced by the Jersey company and not by one of its creditors. If the company is solvent the winding up will be a summary winding up. If the company is insolvent, the winding up will be a creditors' winding up. A creditor wishing to dissolve a Jersey company would seek to have the company's property declared *en désastre* (literally meaning "in disaster"). If the company's property is declared *en désastre*, all of the powers and property of the company (whether present or future or situated in Jersey or elsewhere) are vested in the Viscount (an officer of the court). The role of the Viscount is similar to that of a liquidator. The Viscount's principal duty is to act for the benefit of the company's creditors.

This list is intended to be illustrative only and does not purport to be exhaustive or to constitute legal advice. Any Old Henderson Group Shareholder wishing to obtain further information regarding their rights as New Henderson Group Shareholders under Jersey law should consult their Jersey legal advisers.

Following and subject to Admission, New Henderson Group will be required to comply with the UK Listing Rules and the ASX Listing Rules, (including the Model Code, rules relating to related party transactions, and class transactions) and the Disclosure and Transparency Rules. In certain of the instances where the UK Listing Rules and the Disclosure and Transparency Rules apply differently to an overseas company, provision has been made in the New Henderson Group Articles to apply the rules as if New Henderson Group were a company incorporated in the UK. For example, the requirement for any proposed employee share plans and long term incentive plans to be approved by Shareholders under UK Listing Rule 9.4 has been included in the New Henderson Group Articles, and the New Henderson Group Articles provide that shareholders must comply with the rules contained in DTR 5 of the Disclosure and Transparency Rules relating to disclosure of major shareholdings and other controlling voting rights in New Henderson Group as if it were a UK-incorporated company.

New Henderson Group intends, upon implementation of the Scheme, to comply with the Combined Code and the ASX Principles to the same extent that Old Henderson Group does.

## 5. INCOME ACCESS SHARE PLAN

### 5.1 Introduction

New Henderson Group intends to put in place after the Scheme becomes effective, the IAS plan which is intended to ensure that, as under current Old Henderson Group dividend payment arrangements, no tax is required to be withheld from the payment of dividends to New Henderson Group Shareholders. In the absence of this, and given New Henderson Group's tax-residency in the Republic of Ireland, New Henderson Group Shareholders would need to comply with certain administrative requirements and advance certification procedures in order to ensure that Irish dividend withholding tax was not withheld. The rules regarding the IAS plan are available for inspection at the places and times indicated in paragraph 15 of PART III of this document.

In the case of CDN, New Henderson Group Ordinary Shares held for each CDI holder in a separate registered holding on the CDI register shall be considered separately for the purposes of any IAS Election made or deemed to have been made. References to a "New Henderson Group Shareholder" in this section should be read as references to CDN in respect of a particular CDI holder with a separate registered holding on the CDI register. In the case of a New Henderson Group Shareholder, the Shareholder may make a separate election in respect of each account for which they have a separate registered holding. In the case of a New Henderson Group CDI holder with separate registered holdings, the CDI holder may direct CDN to make a separate election in respect of each separate registered holding on the CDI register.

### 5.2 Election

Under the IAS plan, to the extent implemented and operated, all holders of New Henderson Group Ordinary Shares or New Henderson Group CDIs (as applicable) will be deemed to have elected to be paid dividends from IAS Issuer, rather than from New Henderson Group, which is tax-resident in the Republic of Ireland. New Henderson Group Shareholders may serve a notice at any time electing not to participate in the IAS plan and instead to receive dividends from New Henderson Group (a "New Henderson Group Election") and may subsequently elect to participate in the IAS plan by serving written notice (an "IAS Election"). The New Henderson Group Election and the IAS Election forms will be available from the New Henderson Group Share Registry.

### 5.3 Structure

Following the Scheme becoming effective, if the IAS plan is put in place, New Henderson Group intends to arrange for the IAS Issuer to issue the IAS directly to the Trustee. An IAS Trust will be constituted pursuant to a trust deed which will provide that:

(a) the IAS Trust will hold any dividends paid (not just declared) on the IAS on trust for New Henderson Group Shareholders who have elected or are deemed to have elected to receive dividends pursuant to this plan; and

(b) each registered holder of New Henderson Group Ordinary Shares on a dividend record date who has made a valid election or is deemed to have made a valid election under the IAS plan will be entitled to receive in respect of the IAS an amount equal to the gross dividend paid by New Henderson Group, to the extent a sufficient amount by way of dividend from IAS Issuer is held by, or paid to the order of, the Trustee.

To ensure compliance with technical trust law rules, the period during which the IAS Trust may continue will be restricted. However, the IAS Trust should be able to continue for 80 years.

### 5.4 Shortfall in dividend payment

To the extent that dividends paid to the IAS Trust are insufficient to fund an amount equal to the dividend paid on the relevant New Henderson Group Ordinary Shares, any dividend on the IAS received by the IAS Trust will be allocated pro rata to such Shareholders and New Henderson Group will pay the balance of the dividend due to those Shareholders by way of a dividend on the New Henderson Group Ordinary Shares. Any such dividend paid on the New Henderson Group Ordinary Shares will have an Irish source and will generally be subject to Irish dividend withholding tax at such rate as may be applicable under Irish law or the exemptions from Irish dividend withholding tax contained in Irish law or any applicable double tax treaty and may give rise to adverse tax consequences for certain New Henderson Group Shareholders. In such circumstances, there will be no grossing up by New Henderson Group or IAS Issuer nor will New Henderson Group or IAS Issuer compensate New Henderson Group Shareholders for any adverse consequences including any Irish dividend withholding tax.

### 5.5 Termination

New Henderson Group and IAS Issuer will be able to suspend or terminate the IAS plan at any time, in which case the full New Henderson Group dividend will be paid directly to all Shareholders (including Shareholders who have made or are deemed to have made an IAS Election) by New Henderson Group. In such circumstances, New Henderson Group and IAS Issuer will not compensate Shareholders for any adverse tax consequences.

Any IAS Election shall remain effective unless and until a contrary election in writing is made to New Henderson Group. Any New Henderson Group Shareholders can elect at any time to change a previous election made or deemed to have been made by notifying New Henderson Group in writing.

The forms for making a New Henderson Group Election or an IAS Election to receive dividends from the Scheme Effective Date will be available on the Henderson website www.henderson.com and from the New Henderson Group Share Registry at: (i) Computershare Investors Services (Channel Islands) Limited, P.O. Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey, JE4 8PW or by telephone on 0800 073 3916; (ii) in Australia, GPO Box 4578, Melbourne, Victoria 8060, Australia or by telephone on 1300 137 981; or (iii) in New Zealand, Private Bag 92119, Auckland 1142, New Zealand or by telephone on 0800 888 017.

### 5.6 Taxation

A summary of certain tax implications for certain categories of New Henderson Group Shareholders of the IAS plan are set out in paragraph 6 of this PART IV.

## 6. TAXATION

### 6.1 Australian Taxation

**The following paragraphs, which are intended as a general guide only and not as a substitute for detailed tax advice, are based on current legislation and on what is understood to be current Australian Taxation Office ("ATO") practice as at the date of this document.**

**These paragraphs summarise certain limited aspects of the Australian tax consequences of the Scheme and the holding and disposing of New Henderson Group Shares. Unless otherwise expressly stated, they apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who are resident in Australia for tax purposes and who hold their New Henderson Group Shares on capital account. They do not apply to Shareholders that hold their New Henderson Group Shares as trading stock or revenue assets. The following paragraphs do not apply to Shareholders who are corporates that hold New Henderson Group Shares that give them an interest in 10% or more of the total shares in issue.**

**If you are in any doubt about your tax position in relation to the Scheme, the holding of New Henderson Group Shares, or the IAS plan, you should consult an appropriate professional adviser immediately.**

**(a) Australian tax consequences of the Scheme**

***(i) Class ruling from the Australian Taxation Office***

Old Henderson Group has applied for a class ruling from the ATO in relation to the Australian capital gains tax ("CGT") implications of the Scheme and the application of the Foreign Investment Funds provisions in relation to the IAS plan. The class ruling application does not include a request for the ATO to confirm the valuation of the right to receive a dividend under the IAS plan. The following outline accords with the analysis included in the class ruling application made by Old Henderson Group.

Once the class ruling is released by the ATO, a link to the class ruling will be posted on Henderson Group's website (http://go.henderson.com/nhg).

***(ii) Capital gains tax consequences***

Although the implementation of the Scheme should be regarded as a chargeable event for Australian CGT purposes, a Shareholder should be able to enjoy CGT rollover relief so that the implementation of the Scheme would not give rise to a CGT liability for a Shareholder provided that the Shareholder elects for rollover relief (as explained in more detail in the paragraph on CGT rollover relief). If a Shareholder does not elect CGT rollover relief, the Shareholder will make a capital gain if the "capital proceeds" received are greater than the cost base of their Old Henderson Group Shares. A Shareholder will make a capital loss if the "capital proceeds" received are less than the cost base of their Old Henderson Group Shares.

If a Shareholder makes a capital loss the capital loss may be offset against capital gains derived in the same or subsequent years of income, but cannot be offset against ordinary income.

Where a Shareholder is an individual, trust or complying superannuation entity and has held the Old Henderson Group Shares for at least 12 months, the Shareholder may be entitled to benefit from the CGT discount concession to reduce the amount of capital gain. This means that:

- if the Shareholder is an individual or trustee, the Shareholder will only be required to include one-half of any capital gain in their assessable income; and
- if the Shareholder is a complying superannuation entity, the Shareholder will only be required to include two-thirds of any capital gain in their assessable income.

Where a Shareholder is a company, but not a trustee, the CGT discount concession will not generally be available.

Old Henderson Group is of the view that the right to receive dividends under the IAS plan should have no incremental value over and above the value of the New Henderson Group Shares and therefore should have no separate market value. This is on the basis that the right cannot be transferred and does not impact on the value received by Shareholders on the sale of their New Henderson Group Shares. Further, the only advantage provided by the IAS plan is that Shareholders will not be required to submit a declaration of residence to New Henderson Group in order to prevent Republic of Ireland withholding tax being deducted from their dividends (see paragraph 6.4(b)(ii) below). If the right to receive dividends under the IAS plan has no market value, there should be no impact on these rights on the availability of CGT rollover relief to Shareholders. In the event that the ATO attributes value to the rights received by Shareholders under the IAS plan, Shareholders would be subject to Australian income tax on the capital gain relating to the right.

***(iii) CGT rollover relief***

If a Shareholder of Old Henderson Group makes a capital gain on the cancellation of their Old Henderson Group Shares, the Shareholder may be entitled to CGT rollover relief.

Where the relevant election is made by the Shareholder, CGT rollover relief should allow the Shareholder to disregard a capital gain that would otherwise arise upon the receipt of the New Henderson Group Shares. CGT rollover relief is not available to the extent the Shareholder makes a capital loss.

If a Shareholder wishes to elect for CGT rollover relief, the election is made when lodging their income tax return for the income year in which the taxable event happens. This will usually be in the income year in which the New Henderson Group Shares were issued. The Shareholder chooses CGT rollover relief by excluding the amount of the capital gain eligible for relief from their tax return. A formal submission of an election to the ATO is not required, however, it would be prudent to keep a written record of the election.

As noted above, Old Henderson Group is of the view that the right to receive dividends under the IAS plan rather than directly from New Henderson Group should not by itself have any separate market value for Shareholders and therefore should not impact on the ability of Shareholders to claim CGT rollover relief. However, in the event that value is attributed to the rights under the IAS plan, these may be considered proceeds for the cancellation of Old Henderson Group Shares that are not eligible for CGT rollover relief (as CGT rollover relief is only available to the extent that the proceeds consist of New Henderson Group Shares). Therefore, Shareholders would be subject to Australian income tax on the capital gains relating to the rights received under the IAS plan.

**(b) Australian tax consequences of holding New Henderson Group Shares**

***(i) Disposal of New Henderson Group Shares***

A subsequent sale of New Henderson Group Shares received in exchange for the Old Henderson Group Shares and held on capital account should result in Australian CGT consequences similar to those described above. However, the cost base of the New Henderson Group Shares will differ, depending upon whether or not the Shareholder chooses CGT rollover relief when exchanging their Old Henderson Group Shares pursuant to the Scheme.

*If CGT rollover relief is chosen*

Where CGT rollover relief is chosen, the cost base of the New Henderson Group Shares received as consideration will be equal to the cost base of their Old Henderson Group Shares and any incidental costs that are incurred in the sale of the New Henderson Group Shares. For the purpose of determining whether the CGT discount concession is available on any capital gain from the sale of New Henderson Group Shares, the Shareholders who can claim the CGT discount concession will be taken to have acquired the New Henderson Group Shares at the time they originally acquired their Old Henderson Group Shares.

*If CGT rollover relief is not chosen*

Where CGT rollover relief is not chosen, the cost base of the New Henderson Group Shares received as consideration will be equal to the market value of New Henderson Group Shares at the date of their issue and any incidental costs that are incurred in the sale of the New Henderson Group Shares. For the purpose of determining whether a CGT discount is available on any capital gain from the sale of New Henderson Group Shares, the Shareholder should be taken to have acquired the New Henderson Group Shares at the date of their issue.

***(ii) Right to receive dividends under the IAS plan***

The right to receive dividends under the IAS plan cannot be transferred and should be deemed to be cancelled for Australian income tax purposes at the point that the New Henderson Group Shares are sold.

The capital proceeds for the cancellation should be equal to the market value of the right at the point of the sale of the New Henderson Group Shares. This should also be equal to the cost base of the right which will be the value originally attributed to it when granted. As outlined above, Old Henderson Group is of the view that this value should be nil.

However, in the event that there is a value attributed to the right to receive dividends under the IAS plan, this value should not alter during the period that the Shareholder holds their New Henderson Group Shares. Therefore, no capital gain or loss should be realised at the point of sale of the New Henderson Group Shares, as the market value should be equal to the cost base of the right.

***(iii) Dividends paid on the New Henderson Group Shares***

If a Shareholder receives a dividend from New Henderson Group the dividend should be included in the assessable income of the Shareholder in the income year in which the dividend is received. The dividend income will be subject to Australian income tax at the Shareholder's marginal rate.

If the Shareholder suffers Republic of Ireland withholding tax on the dividend received (see paragraph 6.4(b)(ii) below), the amount included in assessable income will be the amount of the dividend prior to the deduction of withholding tax. The Shareholder may be able to claim a foreign income tax offset for the withholding tax suffered. However, this will depend on the individual circumstances of the Shareholder. Therefore, independent professional advice should be obtained by each Shareholder.

***(iv) Dividends paid under the IAS plan***

All Shareholders will be deemed to make an election to participate in the IAS plan, unless such Shareholder lodges an election not to participate in the IAS plan.

If a Shareholder receives a dividend under the IAS plan, the dividend should be included in the assessable income of the Shareholder in the income year during which the dividend is received. The dividend under the IAS plan will be subject to Australian income tax at the Shareholder's marginal tax rate.

**(c) Application of the Australian Foreign Investment Funds ("FIF") provisions in relation to the IAS plan**

The Australian tax legislation includes FIF provisions, which apply to Australian residents that hold interests in foreign companies and foreign trusts. Where these provisions apply, the Shareholders may be required to include an amount in their assessable income without actually receiving dividends from New Henderson Group or under the IAS plan. However, there are several exemptions from the FIF provisions that could apply.

One exemption applies to Shareholders who are individuals (other than individuals acting in the capacity of a trustee), if the aggregate value of all of their and their associates' interests in foreign companies or trusts combined at 30 June each year is less than A$50,000. The relevant value of the shares in foreign companies (including New Henderson

Group CDIs or Ordinary Shares) or interests in foreign trusts (including interests in the IAS plan) will be the greater of the cost or market value at 30 June each year. Old Henderson Group is of the view that the right to receive dividends under the IAS plan should have no value. On this basis, no amount should be included in the calculation of the value in respect of the Shareholder's interest in the IAS Trust for the purposes of determining whether this exemption applies.

A second exemption from the FIF rules may also apply in respect of the CDIs or Ordinary Shares held in New Henderson Group by virtue of the ASX classification of the CDIs. The FIF provisions should not apply simply on the basis of the classification of Old Henderson Group on the ASX in the sector "Asset Management and Custody Banks," a subsector of "Diversified Financials." Shareholders will need to satisfy themselves at the end of each income year that this exemption is available based on the classification of New Henderson Group on the ASX at that time.

The second exemption does not apply to interests in foreign trusts and so does not apply to the right received by the Shareholders under the IAS plan. However, no income should accrue under the FIF provisions on the basis that either:

- if the value of the interest is nil, Shareholders can apply the deemed rate of return method to calculate income attributable under the FIF rules in relation to their interests in the IAS Trust; or
- if the right to receive dividends under the IAS plan is considered to have a value separate from the New Henderson Group Shares, Shareholders can apply the calculation method to calculate the attributable income. As all dividends paid under the IAS plan will be distributed as taxable income to the relevant Shareholders, no attributable FIF income should remain in respect of the interest of the relevant Shareholders in the IAS Trust.

### 6.2 New Zealand Taxation

**The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current legislation and on what is understood to be current New Zealand Inland Revenue Department's practice as at the date of this document.**

**These paragraphs summarise certain limited aspects of the New Zealand tax consequences of the Scheme and the holding and disposing of New Henderson Group Shares. Unless otherwise expressly stated, they apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who are resident in New Zealand for tax purposes. The New Zealand tax rules differ depending on each Shareholder's circumstances, including the composition of their entire portfolio of foreign investments. The following paragraphs do not apply to Shareholders that hold New Henderson Group Shares that give them an interest in 10% or more of the total shares in issue.**

**If you are in any doubt about your tax position in relation to the Scheme, the holding of New Henderson Group Shares, or the IAS plan, you should consult an appropriate professional adviser immediately.**

#### (a) New Zealand tax consequences of the Scheme

Under the Scheme, Shareholders holding an interest in Old Henderson Group will be treated for New Zealand tax purposes as if they have sold their shares in return for shares in New Henderson Group.

The New Zealand tax consequences of the cancellation of Old Henderson Group Shares will differ depending on the Shareholder's individual circumstances.

If the Shareholder falls within the Foreign Investment Fund ("FIF") regime *"de minimis"* exclusion (as discussed below) the cancellation of the Old Henderson Group Shares is treated as a disposal of the shares and, if the Shareholder does not hold the shares on revenue account (i.e. they are not part of a business of trading or were purchased for the purpose of sale), the cancellation of the Old Henderson Group Shares is a disposal that should have no tax consequences. If the Shareholder does hold the shares on revenue account, any gains or losses on the disposal will be taxable.

If, instead, the Shareholder is taxable under the Fair Dividend Rate ("FDR") calculation method under the FIF regime (as discussed below), a "quick sale" can be triggered and potentially increase a Shareholder's taxable income if any Old Henderson Group Shares were acquired in the same tax year as the cancellation. If there is no quick sale, such an increase in the Shareholder's taxable income should not arise from the cancellation of the Old Henderson Group Shares.

### (b) New Zealand tax consequences of holding New Henderson Group Shares

The New Zealand tax consequences of holding New Henderson Group Shares differ depending on the individual circumstances of each Shareholder.

*Individuals – De minimis exclusion from FIF*

Generally, New Zealand Shareholders with a less than 10% shareholding in a foreign company, including Old Henderson Group and New Henderson Group, will be subject to the FIF regime in respect of such interests. However, individuals (i.e. natural persons) who directly hold such investments with an aggregate "cost" of NZ$50,000 or less at all times during a tax year are excluded from calculating taxable income under the FIF regime.

In determining whether this *de minimis* exclusion from the FIF regime applies, the Shareholders must determine the "cost" of all such foreign investments they hold (i.e. that are prima facie subject to the New Zealand FIF regime), not just their investments in Old Henderson Group and New Henderson Group. For the purposes of calculating "cost", an election can be made to treat all foreign shares that were acquired before 1 January 2000 as having a cost of 50% of the market value of those shares on 1 April 2007.

The "cost" of the New Henderson Group Shares is the market value of the Old Henderson Group Shares at the time of the cancellation of the Old Henderson Group Shares.

Individuals falling within the NZ$50,000 *de minimis* exclusion will not have to apply the FIF regime to calculate their taxable income. Instead, they will be taxed on dividend income received and, if they hold their investments on capital account for tax purposes, they will not be taxed on any gain or loss on disposal (including the gain or loss that may arise from the cancellation of their Old Henderson Group Shares). However, if their investments are held on revenue account for tax purposes (i.e. they are part of a business of trading or were purchased for the purpose of sale), in addition to being taxed on dividends, the Shareholder will also be taxable on any gain or loss on disposal, including any gain or loss arising on the cancellation of their Old Henderson Group Shares.

Any foreign tax withheld on dividends from New Henderson Group can be claimed in New Zealand by the Shareholders as a credit against the New Zealand tax liability on the dividends. If the credit exceeds the New Zealand tax payable on the dividends, then any remaining credit will be forfeited.

*Individuals – No de minimis exclusion from FIF*

For individuals where the *de minimis* exclusion does not apply (i.e. where the individual's total "cost" of their entire offshore portfolio of shares is, at any time during the tax year, more than NZ$50,000), their shareholding in Old Henderson Group and in New Henderson Group will be taxable under the New Zealand FIF regime (and dividends under the IAS plan remain taxable as dividends).

The default calculation under the FIF regime is the Fair Dividend Rate ("FDR") calculation method. Under the FDR method, Shareholders in Old Henderson Group and New Henderson Group are taxable on 5% of the opening market value of those shares at the start of the tax year together with a "quick sales" adjustment for any shares that are purchased and sold within the same tax year. For the purposes of the "quick sales" adjustment, the Shareholder will be taxed on the lesser of any gain, including dividends, achieved on the quick sale or 5% of the actual cost of the shares sold.

Individual Shareholders have the choice of applying the Comparative Value ("CV") calculation method if the actual return on their portfolio of investments that are subject to the FIF regime (i.e. not just their holdings in Old Henderson Group and New Henderson Group) is less than their taxable income calculated under the FDR method (including "quick sales"). This is referred to as the "safety net" option. Under the CV method the net change in the market value during the tax year of all FIF investments, including Old Henderson Group Shares and New Henderson Group Shares, plus any distributions received, can be deemed to be the FIF income for the year for those Old Henderson Group Shares or New Henderson Group Shares. This "safety net" option cannot result in a tax loss for the year, at most it can only reduce taxable income from all FIF investments to nil.

Any foreign tax withheld on dividends from New Henderson Group can be claimed in New Zealand by the Shareholder as a foreign tax credit against their New Zealand tax liability on the FIF income arising from the investment. If the credit exceeds the tax payable on the investment, then any remaining credit will be forfeited.

*Family Trusts*

Family trusts will in general be taxable in the same manner as individuals, however they cannot take advantage of the *de minimis* exclusion from the FIF regime, and only certain family trusts can use the "safety net" calculation method.

*Institutions*

Non-individual Shareholders in Old Henderson Group or New Henderson Group do not qualify for the *de minimis* exclusion and therefore must apply the FIF regime and will most likely be subject to the FDR calculation method in relation to the investment in Old Henderson Group or New Henderson Group. The taxable income in respect of the Old Henderson Group Shares or New Henderson Group Shares will accordingly be 5% of the opening market value of the shares at the start of the income year plus a "quick sales" adjustment. The alternative CV calculation method ("safety net") is not available.

Certain Shareholders such as unit trusts who, because of their nature, determine the market value of their investments on a daily basis can calculate their FIF income by applying the FDR calculation method daily, and thus can eliminate the need to include a "quick sales" adjustment.

Non-individual Shareholders will be able to claim any foreign tax withheld on the dividends from New Henderson Group in New Zealand as a credit against their New Zealand tax liability on the FIF income arising from the investment. If the foreign tax credits exceed the New Zealand tax on those investments, then any remaining credits will be forfeited.

***(i) Disposal of New Henderson Group Shares***

The New Zealand tax consequences of disposing of New Henderson Group Shares will differ depending on the Shareholder's individual circumstances.

It should be noted that although New Zealand does not have a capital gains tax, gains and losses on the sale of Old Henderson Group or New Henderson Group Shares can have tax consequences for Shareholders who fall within the *de minimis*, and are excluded from the FIF regime, and who hold the shares on revenue account (i.e. they are part of a business of trading or were purchased for the purpose of sale). There can also be tax consequences for Shareholders that are subject to the FIF regime and are either required to do a quick sale calculation under the FDR calculation method or apply the "safety net" CV calculation method.

*Individuals*

Shareholders that fall within the *de minimis* exclusion from the FIF regime (as outlined above) will only be taxable on the disposal of their New Henderson Group Shares if they hold the shares on revenue account, i.e. they are part of a business of trading or were purchased for the purpose of sale.

Shareholders that calculate their FIF income under the FDR calculation method and have purchased New Henderson Group Shares during the same tax year as a disposal of New Henderson Group Shares have a "quick sale" tax liability based on the lesser of any gain, including dividends, achieved on the sale or 5% of the actual cost of the shares sold. If there has been no purchase of New Henderson Group Shares in the same tax year as the disposal of the New Henderson Group Shares, no tax consequences will arise from that disposal.

For Shareholders that choose to calculate their FIF income under the CV calculation method, the disposal of New Henderson Group Shares is included as taxable income under that calculation method.

*Family Trusts*

Family trusts that calculate their FIF income under the FDR calculation method and have purchased New Henderson Group Shares during the same tax year as a disposal of New Henderson Group Shares have a "quick sale" tax liability based on the lesser of any gain, including dividends, achieved on the sale or 5% of the actual cost of the shares sold. If there has been no purchase of New Henderson Group Shares in the same tax year as the disposal of the New Henderson Group Shares, no tax consequences will arise from that disposal.

*Institutions*

Shareholders that calculate their FIF income under the FDR calculation method and have purchased New Henderson Group Shares during the same tax year as a disposal of New Henderson Group Shares have a "quick sale" tax liability based on the lesser of any gain, including dividends, achieved on the quick sale or 5% of the actual cost of the shares sold. If there has been no purchase of New Henderson Group Shares in the same tax year as the disposal of the New Henderson Group Shares, no tax consequences will arise from that disposal.

***(ii) Dividends paid on the New Henderson Group Shares***

The New Zealand tax consequences of receiving dividends will differ depending on the Shareholder's individual circumstances.

For Shareholders that fall within the *de minimis* exclusion from the FIF regime, dividends received from New Henderson Group will be taxable.

For Shareholders that do not fall within the *de minimis* exclusion and are taxed under the FIF regime, dividends paid by New Henderson Group will be taxed as follows:

- under the FDR calculation method, dividends from New Henderson Group are not taxed separately; the taxable income is 5% of the opening market value of the shares irrespective of any distributions from New Henderson Group.
- individuals (and family trusts) that choose to be subject to the "safety net" CV calculation method will include dividends received from New Henderson Group as taxable income as part of the CV calculation method.

Any foreign tax withheld on dividends from New Henderson Group can be claimed in New Zealand by the investor as a foreign tax credit against their New Zealand tax liability on the FIF income arising from the investment. If the credit exceeds the tax payable on the investment, then any remaining credit will be forfeited.

***(iii) Dividends paid under the IAS plan***

All Shareholders will be deemed to have made an election to participate in the IAS plan, unless such Shareholder lodges an election not to participate in the IAS plan.

For New Zealand tax purposes, the Shareholder will be taxable on dividends paid under the IAS plan, irrespective of the manner in which the Shareholder's interests in New Henderson Group are taxed.

Shareholders that do not fall within the *de minimis* exclusion will potentially be subject to tax under the FDR method plus additional tax on any payments received from the IAS Trust. Such Shareholders should consult an appropriate professional adviser as to whether to elect not to participate in the IAS plan.

**6.3 UK Taxation**

**The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current legislation and on what is understood to be current HM Revenue & Customs practice as at the date of this document.**

**These paragraphs summarise certain limited aspects of the UK tax consequences of the Scheme and the holding and disposing of New Henderson Group Shares. Unless otherwise expressly stated, they apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who are resident and, if individuals, ordinarily resident and domiciled in the United Kingdom for tax purposes, who hold their Old Henderson Group Shares (and who will hold their New Henderson Group Shares) as an investment (other than within an individual savings account), who are the absolute beneficial owners of those shares and who have not (and are not deemed to have) acquired those shares by virtue of an office or employment (whether current, historic or prospective). In addition, they may not apply to certain classes of Old Henderson Group Shareholders or New Henderson Group Shareholders such as collective investment schemes and insurance companies. The following paragraphs do not apply to Shareholders that hold New Henderson Group Shares that give them an interest in 10% or more of the total shares in issue.**

**If you are in any doubt about your tax position in relation to the Scheme, the holding of New Henderson Group Shares, or the IAS plan, you should consult an appropriate professional adviser immediately.**

**(a) UK tax consequences of the Scheme**

An Old Henderson Group Shareholder who does not hold (either alone or together with other persons connected with him) more than 5% of, or of any class of, shares in or debentures of Old Henderson Group should not be treated as having made a disposal or part disposal of his Old Henderson Group Shares for the purposes of UK tax on chargeable gains on implementation of the Scheme. Instead any chargeable gain or allowable loss which would otherwise have arisen on a disposal of such holders' Old Henderson Group Shares should be "rolled over" into his New Henderson Group Shares. As a result, the New Henderson Group Shares should be treated as the same asset and as having been acquired at the same time and for the same consideration as the Old Henderson Group Shares from which they derived.

An Old Henderson Group Shareholder who holds (either alone or together with the persons connected with him) more than 5% of, or of any class of, shares in or debentures of Old Henderson Group should not be treated as having made a disposal or part disposal of his Old Henderson Group Shares for the purposes of UK tax on chargeable gains on the implementation of the Scheme and should be able to "roll over" any chargeable gain or allowable loss into his New Henderson Group Shares as described above provided the Scheme (i) is effected for *bona fide* commercial reasons and (ii) does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is avoidance of liability to capital gains tax or corporation tax. If these conditions are not met, then such an Old Henderson Group Shareholder who is resident or, in the case of an individual, ordinarily resident, in the UK will be treated, on receiving New Henderson Group Shares as consideration for the cancellation of his Old Henderson Group Shares, as having made a disposal of his Old Henderson Group Shares which may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK tax on chargeable gains. No application has been made to HM Revenue & Customs under section 138 of the Taxation of Chargeable Gains Act 1992 for clearance that these conditions will be met.

**(b) UK stamp duty and stamp duty reserve tax ("SDRT") consequences of the Scheme**

No stamp duty or SDRT will arise on the cancellation of the Old Henderson Group Shares or the allotment and issue of the New Henderson Group Shares under the Scheme.

**(c) UK tax consequences of holding New Henderson Group Shares**

***(i) Disposal of New Henderson Group Shares***

A subsequent disposal of New Henderson Group Shares by a New Henderson Group Shareholder who is resident or ordinarily resident in the UK may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK tax on chargeable gains.

A subsequent disposal of New Henderson Group Shares by a New Henderson Group Shareholder who is not resident in the UK for tax purposes but who carries on a trade, profession or vocation in the UK through a branch, agency or permanent establishment and has used, held or acquired the New Henderson Group Shares for the purposes of such trade, profession or vocation or such branch, agency or permanent establishment may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of UK tax on chargeable gains.

A New Henderson Group Shareholder who is an individual and who is temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on a chargeable gain realised on the disposal or part disposal of his New Henderson Group Shares during the period when he is non-resident.

On the basis that a New Henderson Group Shareholder was able to "roll over" any chargeable gain or allowable loss which would otherwise have arisen on the disposal of such holder's Old Henderson Group Shares on implementation of the Scheme (as set out above in the section entitled "UK tax consequences of the Scheme"), any chargeable gain or allowable loss on the disposal of New Henderson Group Shares should be calculated taking into account the allowable original cost to the Old Henderson Group Shareholder of acquiring the Old Henderson Group Shares from which the New Henderson Group Shares are derived.

For corporate shareholders only, indexation allowance on the relevant proportion of the original allowable cost should be taken into account for the purposes of calculating a chargeable gain (but not an allowable loss) arising on a disposal or part disposal of New Henderson Group Shares.

No indexation allowance or taper relief will be available to individual shareholders on disposals of their New Henderson Group Shares.

***(ii) Dividends paid on the New Henderson Group Shares***

Any New Henderson Group Shareholder who is an individual resident (for tax purposes) in the UK will, if he owns less than 10% of the issued share capital of New Henderson Group, be entitled to a tax credit equal to one-ninth of the dividend received from New Henderson Group. Such an individual will be taxable on the total of the dividend before deduction of Republic of Ireland tax withheld (if any) and the related tax credit (the "gross dividend"), which will be regarded as the top slice of the individual's income.

The tax credit will be treated as discharging the individual's liability to UK income tax in respect of the gross dividend, unless and except to the extent that the gross dividend falls above the threshold for the higher rate of income tax, in which case the individual will, to that extent, pay UK income tax on the gross dividend of 32.5% of the gross dividend less the related tax credit. So, for example, a dividend of £80 will carry a tax credit of £8.89 and the UK income tax payable on the dividend by an individual liable to income tax at the higher rate would be 32.5% of £88.89, namely £28.89, less the tax credit of £8.89, leaving a net tax charge of £20.

*Corporate New Henderson Group Shareholders*

A corporate New Henderson Group Shareholder who is resident in the UK or carries on a trade in the UK through a permanent establishment in connection with which its New Henderson Group Shares are held will generally be subject to UK corporation tax on the gross amount of any dividends paid by New Henderson Group before deduction of Republic of Ireland tax withheld (if any).

*Credit for Republic of Ireland withholding tax*

As noted in paragraph 6.4(b)(ii) on Republic of Ireland dividend withholding tax below, no Republic of Ireland dividend withholding tax should be withheld from dividends paid to UK tax-resident New Henderson Group Shareholders if the appropriate declaration has been made to the New Henderson Group Share Registry prior to payment of the dividend. If any Republic of Ireland tax is withheld from such dividends, HM Revenue & Customs will generally give credit for any Republic of Ireland withholding tax withheld from the payment of a dividend and not recoverable from the Republic of Ireland tax authorities against UK income tax or UK corporation tax payable by New Henderson Group Shareholders in respect of the dividend.

***(iii) Dividends paid under the IAS plan***

All Shareholders will be deemed to make an election to participate in the IAS plan, unless such Shareholder lodges an election not to participate in the IAS plan.

If a New Henderson Group Shareholder receives dividends under the IAS plan, such New Henderson Group Shareholder will be receiving dividends from IAS Issuer. There will not be a requirement to withhold at source any amount in respect of UK tax from dividend payments made under the IAS plan regardless of who receives the payment.

A New Henderson Group Shareholder who is an individual resident (for tax purposes) in the UK and who receives a dividend from IAS Issuer under the IAS plan should be taxed on dividends received under the IAS plan as such individual is currently taxed on dividends from Old Henderson Group, i.e. prior to the Scheme Effective Date.

A New Henderson Group Shareholder who is within the charge to UK corporation tax will not generally be taxable on any dividend it receives from IAS Issuer under the IAS plan.

A New Henderson Group Shareholder who is not liable to tax on dividends received under the IAS plan will not be entitled to claim payment of the tax credit in respect of those dividends.

The right of a New Henderson Group Shareholder who is not resident for tax purposes in the UK to a tax credit in respect of a dividend received under the IAS plan and to claim payment of any part of that tax credit will depend on the existence and terms of any double tax treaty between the UK and the country in which the holder is resident. A New Henderson Group Shareholder who is not solely resident in the UK should consult his own tax adviser concerning his tax liabilities on dividends received under the IAS plan, whether he is entitled to claim any part of the tax credit and, if so, the procedure for doing so.

**(d) Transaction in securities**

Old Henderson Group Shareholders should note that Old Henderson Group has been advised that the Old Henderson Group Shareholders should not suffer a counter-acting tax assessment under the transaction in securities rules in sections 703-709 of the Income and Corporation Taxes Act 1988 and sections 682-694 of the Income Tax Act 2007 by reference to the Scheme but that no application for clearance has been made under section 707 of the Income and Corporation Taxes Act 1988 or section 701 of the Income Tax Act 2007 in relation to the Scheme.

**(e) UK stamp duty and SDRT on transfers of New Henderson Group Shares**

In practice, UK stamp duty should generally not need to be paid on an instrument transferring New Henderson Group Shares.

No UK SDRT will be payable in respect of any agreement to transfer New Henderson Group Shares.

The statements in this paragraph summarise the current position on stamp duty and SDRT and are intended as a general guide only. They assume that the New Henderson Group Shares will not be registered in a register kept in the UK by or on behalf of New Henderson Group. New Henderson Group has confirmed that it does not intend to keep such a register in the UK.

**6.4 Republic of Ireland Taxation**

**The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current legislation and on what is understood to be current Revenue Commissioners practice as at the date of this document.**

**These paragraphs summarise certain limited aspects of the Republic of Ireland tax consequences of the Scheme and the holding and disposing of New Henderson Group Shares. Unless otherwise expressly stated, they apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who are not resident, ordinarily resident or domiciled in the Republic of Ireland for tax purposes. They apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who hold their Old Henderson Group Shares (and New Henderson Group Shares) directly as an investment and who are absolute beneficial owners of those shares. The following paragraphs do not apply to certain types of Shareholders, such as dealers in securities or persons holding or acquiring Old Henderson Group Shares (or New Henderson Group Shares) in the course of a trade or by reason of employment, collective investment schemes and insurance companies.**

**If you are in any doubt about your tax position in relation to the Scheme or the holding of New Henderson Group Shares, or the IAS plan, you should consult an appropriate professional adviser immediately.**

**(a) Republic of Ireland tax consequences of the Scheme**

Liability to Republic of Ireland tax on chargeable gains will depend on the individual circumstances of Old Henderson Group Shareholders and New Henderson Group Shareholders.

**(b) Republic of Ireland tax consequences of holding New Henderson Group Shares**

***(i) Disposal of New Henderson Group Shares***

Corporate New Henderson Group Shareholders who are not resident in the Republic of Ireland will not be liable for Republic of Ireland tax on chargeable gains realised on a subsequent disposal of their New Henderson Group Shares unless such New Henderson Group Shares are used, held or acquired for the purposes of a trade, profession or vocation carried on in the Republic of Ireland through a branch or agency.

A New Henderson Group Shareholder who is an individual and who is temporarily non-resident in the Republic of Ireland may, under anti-avoidance legislation, still be liable to Republic of Ireland tax on any chargeable gain realised (subject to the availability of exemptions or reliefs).

As registered shares are regarded as situated where they are registered, New Henderson Group Shares are anticipated to be situated in Jersey for Republic of Ireland tax purposes. Accordingly, New Henderson Group Shareholders may be subject to foreign tax on any gain under local law.

***(ii) Dividends paid on the New Henderson Group Shares***

*Republic of Ireland dividend withholding tax ("DWT")*

Distributions made by New Henderson Group will generally be subject to DWT at the standard rate of income tax (currently 20%) unless the New Henderson Group Shareholder is within one of the categories of exempt shareholders referred to below. Where DWT applies, New Henderson Group is responsible for deducting DWT at source. For DWT purposes, a dividend includes any distribution made by New Henderson Group to its New Henderson Group Shareholders, including cash dividends, non-cash dividends and additional shares taken in lieu of a cash dividend.

DWT is not payable where an exemption applies provided that New Henderson Group has received all necessary documentation required by the relevant legislation from the New Henderson Group Shareholder prior to payment of the dividend.

Certain New Henderson Group Shareholders who are not residents of the Republic of Ireland (both individual and corporate) are entitled to an exemption from DWT. In particular, a New Henderson Group Shareholder who is not resident for tax purposes in the Republic of Ireland and who is:

(a) an individual resident for tax purposes in either a Member State (apart from the Republic of Ireland) or in a country with which the Republic of Ireland has a double tax treaty, and the individual is neither resident nor ordinary resident in the Republic of Ireland; or

(b) a corporate ultimately controlled, directly or indirectly, by persons resident in either a Member State (apart from the Republic of Ireland) or in a country with which the Republic of Ireland has a double tax treaty; or

(c) a corporate resident for tax purposes in either a Member State (apart from the Republic of Ireland) or a country with which the Republic of Ireland has a double tax treaty and not ultimately controlled by persons resident in the Republic of Ireland; or

(d) a corporate whose principal class of shares (or those of its 75% parent) is substantially and regularly traded on a recognised stock exchange in either a Member State (including the Republic of Ireland where the company trades only on the Irish Stock Exchange) or in a country with which the Republic of Ireland has a double tax treaty or on an exchange approved by the Republic of Ireland Minister for Finance; or

(e) a corporate that is wholly owned, directly or indirectly, by two or more companies the principal class of shares of each of which is substantially and regularly traded on a recognised stock exchange in either a Member State (including the Republic of Ireland where the company trades only on the Irish Stock Exchange) or in a country with which the Republic of Ireland has a double tax treaty or on an exchange approved by the Republic of Ireland Minister for Finance,

is not subject to DWT on dividends received from New Henderson Group provided that, in all cases noted above, the New Henderson Group Shareholder has made the appropriate declaration to New Henderson Group prior to payment of the dividend.

*Republic of Ireland tax on dividends*

Non-Republic of Ireland resident New Henderson Group Shareholders are, unless entitled to exemption from DWT, liable to Republic of Ireland income tax on dividends received on the New Henderson Group Shares. However, the DWT deducted by New Henderson Group discharges such liability to Republic of Ireland income tax. Where a non-resident New Henderson Group Shareholder is entitled to exemption from DWT, then no Republic of Ireland income tax arises and, where New Henderson Group has deducted DWT, a claim may be made for a refund of the DWT.

***(iii) Dividends paid under the IAS plan***

If a New Henderson Group Shareholder receives dividends under the IAS plan, these dividends will be received from IAS Issuer. Accordingly, no DWT will be levied on such dividends.

**(c) Republic of Ireland stamp duty**

No Republic of Ireland stamp duty should be payable by Old Henderson Group Shareholders as a result of the Scheme. Republic of Ireland stamp duty will not arise on transactions in New Henderson Group Shares provided such transactions do not relate to land (or other immovable property or any right over or interest in such property) in the Republic of Ireland or the stocks or securities of a Republic of Ireland registered company.

**6.5 Jersey Taxation**

**The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current legislation and on what is understood to be current Jersey tax authority practice as at the date of this document.**

**These paragraphs summarise certain limited aspects of the Jersey tax consequences of the Scheme and the holding and disposing of New Henderson Group Shares. Unless otherwise expressly stated, they apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who are**

**not resident in Jersey for tax purposes. They apply only to Old Henderson Group Shareholders (or New Henderson Group Shareholders) who hold their Old Henderson Group Shares (and New Henderson Group Shares) directly as an investment. They do not apply to certain types of Shareholders, such as dealers in securities or persons holding or acquiring Old Henderson Group Shares (or New Henderson Group Shares) in the course of trade.**

**If you are in any doubt about your tax position in relation to the Scheme, the holding of New Henderson Group Shares, or the IAS plan, you should consult an appropriate professional adviser immediately.**

**(a) Taxation of New Henderson Group**

The Jersey Comptroller of Income Tax has confirmed that provided the conditions of Article 123(1) of the Income Tax (Jersey) Law continue to be met, New Henderson Group will be regarded as not tax-resident in Jersey and will not be subject to Jersey tax on income earned outside Jersey.

Dividends on New Henderson Group Shares may be paid by New Henderson Group without withholding or deduction for or on account of Jersey income tax and holders of New Henderson Group Shares (other than residents of Jersey) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such New Henderson Group Shares.

**(b) Stamp duty**

In Jersey, no stamp duty is levied on the issue or transfer *inter vivos* of New Henderson Group Shares.

However, there is stamp duty payable when grants of probate and letters of administration are required in Jersey. Under Jersey law, a Jersey grant of probate or letters of administration are required to transfer shares on the death of a shareholder except (in the case of a shareholder not domiciled in Jersey) where the value of the deceased's holdings does not exceed £10,000, in which case the Directors of New Henderson Group may at their discretion dispense with this requirement on certain conditions being satisfied. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate and is payable on a sliding scale at a rate of up to 0.75% of the estate.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts, nor are there estate duties.

## 7. EMPLOYEE SHARE PLANS

### 7.1 Existing Options and Awards

Participants in the Old Henderson Group Share Plans will be written to separately to explain the impact of the Scheme on their participation in these plans. A general summary is provided below.

As the purpose of the Scheme is to establish an international holding company with a group structure that is designed to help protect the Henderson Group's taxation position, the Old Henderson Group Board and the Old Henderson Group Remuneration Committee have sought (where permitted under the rules of the Old Henderson Group Share Plans) to ensure that participants' rights under the Old Henderson Group Share Plans are rolled over into equivalent rights relating to New Henderson Group Ordinary Shares on the Scheme Effective Date.

In respect of participants in Old Henderson Group Share Plans who are outside the United Kingdom, the alternatives available in respect of their options or awards may differ from the position summarised below in order to take account of local securities, exchange control, regulatory or tax laws.

**(a) Henderson Global Investors Buy As You Earn Share Plan ("BAYE")**

The BAYE is a share incentive plan approved by HM Revenue & Customs. BAYE participants are the beneficial owners of the Old Henderson Group Ordinary Shares held for them by the trustees of the BAYE in a special trust. They will be entitled to instruct the trustees to vote at the Court Meeting and the General Meeting on their behalf. The Scheme will extend to the Old Henderson Group Ordinary Shares held in the BAYE trust. This will mean that participants' awards over Old Henderson Group Ordinary Shares will be replaced with New Henderson Group Ordinary Shares having an equivalent value which will treated as if they had been awarded when the Old Henderson Group Ordinary Shares they replace were awarded and will continue to be held in the BAYE trust subject to the same terms and conditions.

**(b) Old Henderson Group Sharesave Plan ("Sharesave Plan")**

Under the rules of the Sharesave Plan, options granted under the Sharesave Plan will not become exercisable by virtue of the Scheme.

Participants will have their options automatically exchanged for equivalent replacement options over New Henderson Group Ordinary Shares. The replacement options will be treated as having been granted at the same time as the old rights which they replace and they will become exercisable on similar terms subject to the rules of the Sharesave Plan. Holders of replacement options may continue to make their monthly savings contributions. The total exercise price payable to exercise the replacement options will be the same as the price payable to exercise the old options and the market value of the New Henderson Group Ordinary Shares under the replacement options immediately after the exchange will be the same as the market value of the Old Henderson Group Ordinary Shares under the old options immediately before the exchange. The terms of any exchange under the Sharesave Plan must be approved by HM Revenue & Customs for it to be valid.

If a participant elects not to exchange his or her options the options will lapse six months after the Scheme is sanctioned by the Court.

**(c) Old Henderson Group Sharesave Plan USA ("Sharesave Plan USA")**

Under the rules of the Sharesave Plan USA, options granted under the Sharesave Plan USA will not become exercisable by virtue of the Scheme.

Participants will have the opportunity to elect to exchange these options for equivalent replacement options over New Henderson Group Ordinary Shares. The replacement options will be treated as having been granted at the same time as the old rights which they replace and they will become exercisable on similar terms subject to the rules of the Sharesave Plan USA. Holders of replacement options may continue to make their monthly savings contributions. The total exercise price payable to exercise the replacement options will be the same as the price payable to exercise the old options and the market value of the New Henderson Group Ordinary Shares under the replacement options immediately after the exchange will be the same as the market value of the Old Henderson Group Ordinary Shares under the old options immediately before the exchange.

If a participant elects not to exchange his or her options the options will lapse six months after the Scheme is sanctioned by the Court.

**(d) Old Henderson Group Company Share Option Plan ("CSOP")**

Under the rules of the CSOP, options granted under the CSOP will not become exercisable by virtue of the Scheme.

Participants will have the opportunity to elect to exchange these options for equivalent replacement options over New Henderson Group Ordinary Shares. The replacement options will be treated as having been granted at the same time as the old rights which they replace and they will become exercisable on similar terms subject to the rules of the CSOP. The total exercise price payable to exercise the replacement options will be the same as the price payable to exercise the old options and the market value of the New Henderson Group Ordinary Shares under the replacement options immediately after the exchange will be the same as the market value of the Old Henderson Group Ordinary Shares under the old options immediately before the exchange. The terms of any exchange under the CSOP must be approved by HM Revenue & Customs.

If a participant elects not to exchange his or her options the options will lapse on the day on which the Scheme is sanctioned by the Court.

**(e) Old Henderson Group Long Term Incentive Plan ("LTIP")**

Under the rules of the LTIP, awards granted under the LTIP will not be released by virtue of the Scheme.

Subject to the Old Henderson Group Shareholders approving the Scheme, the rules of the LTIP will be amended so that participants will have the opportunity to elect to exchange their awards for replacement awards over New Henderson Group Ordinary Shares. The replacement awards will be treated as having been granted at the same time as the old awards which they replace and they will be released on similar terms subject to the rules of the LTIP. The market value of the New Henderson Group Ordinary Shares under the replacement awards immediately after the exchange will be the same as the market value of the Old Henderson Group Ordinary Shares under the old awards immediately before the exchange. The performance conditions applicable to the old awards will continue to apply to the replacement awards and will be measured based on Old Henderson Group's performance up to the Scheme Effective Date and on New Henderson Group's performance from that date.

If a participant elects not to exchange his or her awards the awards will lapse immediately after the Court has sanctioned the Scheme.

**(f) Old Henderson Group Restricted Share Plan ("RSP")**

Under the RSP, participants have been granted awards over Old Henderson Group Ordinary Shares that are normally released after a fixed "restricted period", in some cases, subject to the achievement of certain performance conditions.

RSP awards will not vest as a result of the Scheme. They will be exchanged automatically for replacement awards over New Henderson Group Ordinary Shares. The replacement awards will be treated as having been granted at the same time as the old awards which they replace and they will vest on the same terms as the awards they replace subject to the rules of the RSP. The market value of the New Henderson Group Ordinary Shares under the replacement awards immediately after the exchange will be the same as the market value of the Old Henderson Group Ordinary Shares under the old awards immediately before the exchange. Any performance conditions applicable to the old awards will continue to apply to the replacement awards and will be measured based on Old Henderson Group's performance up to the Effective Date and on New Henderson Group's performance from that date.

**(g) Henderson Global Investors Deferred Equity Plan ("DEP")/Employee Share Ownership Plan ("ESOP")**

Under the DEP/ESOP, participants have been granted awards of Old Henderson Group Ordinary Shares as part of their annual bonus, either on a compulsory or a voluntary basis. Where part of a participant's bonus has been compulsorily deferred into Old Henderson Group Ordinary Shares ("Bonus Shares") the plan has been communicated as the DEP. Where participants have voluntarily elected to defer part or all of their bonus into Old Henderson Group Ordinary Shares ("Restricted Shares"), the plan has been communicated as the ESOP. Both DEP and ESOP awards are governed by the rules of the DEP.

In addition to the Restricted/Bonus Shares, participants have been granted awards of matching Old Henderson Group Ordinary Shares which are held by a trustee in trust. Participants have beneficial ownership of the Restricted/Bonus Shares which they are required to retain until the end of a fixed "restricted period" in order to receive the matching shares. Beneficial ownership of the matching Old Henderson Group Ordinary Shares does not pass to participants until the end of the restricted period, and the participant's right to them may be forfeited in certain circumstances, including if a participant leaves employment before the end of the fixed restricted period.

The Scheme will extend to the Old Henderson Group Ordinary Shares held in trust. This will mean that participants' awards of Restricted/Bonus Shares and matching Old Henderson Group Ordinary Shares will be replaced with identical awards over New Henderson Group Ordinary Shares having an equivalent value which will be treated as if they had been awarded when the Old Henderson Group Ordinary Shares they replace were awarded and will continue to be held in the trust subject to the same terms and conditions and they will be released on the same terms as the Old Henderson Group Ordinary Shares they replace subject to the rules of the DEP/ESOP. In order to avoid adverse income tax consequences participants will be offered the opportunity to surrender their Old Henderson Group Ordinary Shares. Those participants who have surrendered their shares will be awarded an equal number of New Henderson Group Ordinary Shares after the Scheme Effective Date which will be held on and subject to the same terms and conditions as the original awards over Old Henderson Group Ordinary Shares.

The Scheme does not affect investment fund interests granted under the DEP/ESOP.

Further details of the Old Henderson Group Share Plans are contained in paragraph 9 of PART III.

**7.2 New Henderson Group Share Plans**

In order to continue to provide share based incentives to employees within the New Henderson Group, New Henderson Group has adopted the New Henderson Group Share Plans, subject to the Scheme becoming effective and the Old Henderson Group Shareholders approving the adoptions in the General Meeting. The new share plans will relate to New Henderson Group Ordinary Shares but will otherwise be essentially the same as those currently operated by Old Henderson Group.

The following is a summary of the main provisions of the new employee share plans which have been adopted by New Henderson Group conditional upon shareholders of Old Henderson Group approving their adoption by New Henderson Group at the General Meeting of Old Henderson Group Shareholders to be held on 30 September 2008 and subject to the Scheme becoming effective:

**(a) New Henderson Group Deferred Equity Plan**

*(i) Introduction*

The New Henderson Group Deferred Equity Plan will enable selected employees of the New Henderson Group (excluding Executive Directors) who receive a bonus under any annual bonus scheme operated within the New Henderson Group to receive part of their bonus in the form of New Henderson Group Ordinary Shares or an interest in an investment fund as well as additional "matching" New Henderson Group Ordinary Shares or interest in investment funds. Participants are entitled to receive their matching New Henderson Group Ordinary Shares or interests in an investment fund at the end of a specified restricted period subject to remaining in employment during that time. Benefits under the New Henderson Group Deferred Equity Plan are not pensionable.

*(ii) Eligibility*

The New Henderson Group Deferred Equity Plan will be operated on a discretionary basis by the New Henderson Group Remuneration Committee. All employees of the New Henderson Group (excluding Executive Directors) will be eligible to participate.

*(iii) Grant procedure*

Following notification of any bonus payable by a member of the New Henderson Group, employees who are invited to participate in the New Henderson Group Deferred Equity Plan may elect to receive a proportion of their annual bonus in the form of New Henderson Group Ordinary Shares ("Bonus Shares"). Alternatively, a participant may elect to receive an interest in an investment fund, being units in a UK authorised unit trust, ordinary shares in an investment trust company, shares in the capital of an open ended investment company or shares in the capital of a *société d'investissement* (in all cases the assets of which are managed by a company in Henderson Group) ("Bonus Investment Fund Interests").

Notified bonuses that exceed a specified amount will be subject to a mandatory deferral into New Henderson Group Ordinary Shares or investment funds ("Restricted Shares" and "Restricted Investment Fund Interests" respectively).

Following receipt of an election or a mandatory deferral the New Henderson Group Remuneration Committee may make appropriate recommendations to the trustee of the New Henderson Group discretionary employee benefit trust (the "Trustee") that shares are acquired and held in the trust pending release. The New Henderson Group Remuneration Committee may also recommend to the Trustee that additional matching New Henderson Group Ordinary Shares or matching New Henderson Group Investment Fund Interests are also awarded to the participant having such value as the Trustee may, on the New Henderson Group Remuneration Committee's recommendation, determine.

*(iv) Restricted period*

The length of the restricted period, which will be determined by the New Henderson Group Remuneration Committee, will normally be two or three years, but cannot be less than one year or longer than five years.

During the restricted period, a participant will be treated as the beneficial owner of the Restricted/Bonus Shares or Restricted/Bonus Investment Fund Interests and be entitled to receive dividends. However, a participant may not sell, transfer or otherwise dispose of the Restricted/Bonus Shares or Restricted/Bonus Investment Fund Interests and any attempt to do so will result in the forfeiture of the related matching New Henderson Group Ordinary Shares or matching New Henderson Group Investment Fund Interests (as applicable). A participant has no beneficial interest in any matching New Henderson Group Ordinary Shares or matching New Henderson Group Investment Fund Interests.

In the event of a rights issue by New Henderson Group, the Trustee shall, in respect of a participant's matching New Henderson Group Ordinary Shares, take such course of action as it considers appropriate and, in respect of a participant's Restricted/Bonus Shares, take account of any directions given by the participant. In the event that the Trustee receives securities on a demerger or other reorganisation, such securities will be treated as Restricted/Bonus Shares and matching New Henderson Group Ordinary Shares. In the event of any other change affecting the ordinary share capital of New Henderson Group the Trustee shall take such action as it agrees with the New Henderson Group Remuneration Committee.

*(v) Release of awards*

At the end of the restricted period the Restricted/Bonus Shares and Restricted/Bonus Investment Fund Interests will be released to a participant together with any matching New Henderson Group Shares and New Henderson Group Investment Fund Interests respectively. If a participant ceases to be employed within Henderson Group during the restricted period by reason of death, disability, the sale of the business in which he or she is employed or redundancy, the restricted period will continue unless, in case of death or disability by reason of terminal illness, the Trustee with the consent of the New Henderson Group Remuneration Committee determines otherwise. Awards which relate to less than 2,000 matching New Henderson Group Ordinary Shares will be released immediately upon cessation of employment.

If a participant leaves employment during the restricted period for any other reason the Restricted/Bonus Shares or Restricted/Bonus Investment Fund Interests will, unless the Trustee determines otherwise, be forfeited and must be transferred to a person nominated by New Henderson Group for nil consideration. After the first year of the restricted period forfeiture of the Restricted/Bonus Shares or Restricted/Bonus Investment Fund is normally limited to cases of gross misconduct or bankruptcy but the Trustee may determine otherwise. In the event of a change of control of New Henderson Group the restricted period is deemed to have come to an end and the matching New Henderson Group Ordinary Shares will be released in full to a participant together with the Bonus/Restricted Shares.

In the event of a change in the identity of the investment manager of an Investment Fund, a resolution to windup the Investment Fund or a change of control of the Investment Fund, a participant will be able to instruct the Trustee to sell his Investment Fund Interests and hold the proceeds of sale or to reinvest such proceeds in interests in alternative Investment Funds.

**(b) New Henderson Group Restricted Share Plan**

*(i) Introduction*

Under the New Henderson Group Restricted Share Plan employees selected by the New Henderson Group Board may be granted awards over New Henderson Group Ordinary Shares that are released after a certain 'restricted period'. Awards may be granted in the form of a conditional allocation of New Henderson Group Ordinary Shares, an allocation of New Henderson Group Ordinary Shares subject to restrictions on dealings in those shares or a conditional allocation of New Henderson Group Ordinary Shares subject to forfeiture. The participant will have no dividend or voting rights in respect of the New Henderson Group Ordinary Shares comprised in his share award until they are released to him. Benefits under the New Henderson Group Restricted Share Plan are not pensionable.

*(ii) Eligibility*

The New Henderson Group Restricted Share Plan will be operated on a discretionary basis by the New Henderson Group Board. All employees of Henderson Group (including Executive Directors) will be eligible to participate.

*(iii) Release of awards*

Awards will not normally be released until the end of the restricted period. If a participant leaves employment before the end of the restricted period, his restricted share award will normally be forfeited unless the reason for leaving is death, injury, disability, ill-health, or the sale of the business or company in which the participant works or, if the New Henderson Group Board so decides, any other reason. In these circumstances, all or a time pro rated part of a restricted share award (as the New Henderson Group Board may determine) may be released at the end of the restricted period, save that if a time pro-rated part of an award which is not subject to performance conditions relates to less than 2,000 New Henderson Group Ordinary Shares, the award will be released immediately. If the reason for termination of employment is death or terminal illness the New Henderson Group Board may determine that the restricted share award shall vest immediately.

Restricted share awards may also be released early in the event of a takeover, merger, reconstruction or amalgamation, demerger or voluntary winding up of New Henderson Group. In these circumstances, all or a time pro rated part of a restricted award (as the New Henderson Group Board may determine) may be released early.

*(iv) Individual limits*

The maximum number of New Henderson Group Ordinary Shares that may be awarded to an Executive Director in any 12 month period is limited so that the aggregate market value (as at the date of grant) of those New Henderson Group Ordinary Shares and any Old Henderson Group Ordinary Shares awarded under the Old Henderson Group Restricted Share Plan in the 12 month period must not exceed 150% of the Director's basic salary. This limit shall not apply to employees who are not Directors of New Henderson Group at the date of grant.

*(v) Overseas employees*

The New Henderson Group Board may in its discretion grant phantom awards to non-UK resident employees in the form of a right to receive, contingent on the exercise of the phantom award, a cash payment equal to the market value of a maximum number of phantom shares determined by the New Henderson Group Board at the date of grant. The rules of the New Henderson Group Restricted Share Plan will apply *mutatis mutandis* to such phantom awards.

**(c) New Henderson Group Long Term Incentive Plan**

*(i) Introduction*

The New Henderson Group Long Term Incentive Plan will enable selected employees and Executive Directors of the New Henderson Group to be granted performance related share awards entitling them to acquire a number of New Henderson Group Ordinary Shares as determined by reference to the corporate performance of New Henderson Group over a performance period of three financial years. Awards may be granted in the form of a conditional allocation of New Henderson Group Ordinary Shares, an allocation of New Henderson Group Ordinary Shares subject to restrictions on dealings in those shares or a conditional allocation of New Henderson Group Ordinary Shares subject to forfeiture. Benefits under the New Henderson Group Long Term Incentive Plan are not pensionable.

*(ii) Eligibility*

The New Henderson Group Long Term Incentive Plan will be operated on a discretionary basis by the New Henderson Group Board. All employees of Henderson Group (including Executive Directors) will be eligible to participate.

*(iii) Performance conditions*

Each share award under the New Henderson Group Long Term Incentive Plan will be subject to performance conditions which will determine how many (if any) of the New Henderson Group Ordinary Shares under the award the participant will be entitled to acquire after the end of the performance period. The New Henderson Group Board will set objective performance conditions which will normally be measured over three financial years. The conditions applicable to awards made in any year will be disclosed in the Directors' remuneration report for that year.

*(iv) Vesting of awards*

If a participant leaves employment before the end of the performance period, his share award will normally lapse. However, if the reason for leaving is death, injury, disability, ill-health, or the sale of the business or company in which the participant works or, (if the New Henderson Group Board so decides) any other reason, a participant's award may vest at the end of the normal vesting period to the extent the applicable performance condition has been achieved (except in the case of a participant's death where the New Henderson Group Board may determine that performance conditions do not need to be satisfied). Unless the New Henderson Group Board determines otherwise, the number of New Henderson Group Ordinary Shares a participant may acquire will be pro rated to take account of that proportion of the performance period (measured in complete months) which has elapsed at the date of leaving. If the reason for termination of employment is death or terminal illness the New Henderson Group Board may determine that the award shall vest immediately.

In the event of a takeover, reconstruction or amalgamation, awards may vest early, but the number of New Henderson Group Ordinary Shares a participant may acquire will, unless the New Henderson Group Board determines otherwise, be determined according to the extent to which the performance conditions have been achieved up to the date of the relevant event and will be pro rated to take account of that proportion of the performance period (measured in complete months) which has elapsed at that time. The New Henderson Group Board may, in its absolute discretion, having regard to the extent to which the performance conditions have been satisfied up to the relevant event, determine that awards may be exercised in respect of a greater number of New Henderson Group Ordinary Shares, but not exceeding the total number of New Henderson Group Ordinary Shares under the awards.

*(v) Settlement*

Within 30 days of vesting of an award, the New Henderson Group Board will issue or procure the transfer of the relevant number of New Henderson Group Ordinary Shares to the participant. Awards granted to Executive Directors may only be satisfied by the transfer of existing New Henderson Group Ordinary Shares purchased in the market. The New Henderson Group Board may determine that an award may be settled by procuring a payment to a participant of a cash amount equal to the aggregate market value of the New Henderson Group Ordinary Shares on the vesting date (less any deductions required by law).

*(vi) Individual limits*

The maximum number of New Henderson Group Ordinary Shares that may be awarded to a participant in any 12 month period is limited so that the aggregate market value (on the date of grant) of such New Henderson Group Ordinary Shares and any Old Henderson Group Ordinary Shares awarded under the Old Henderson Group Long Term Incentive Plan in the 12 month period must not exceed 300% or, in the case of a participant who for the time being is the Chief Executive of New Henderson Group, 500% of a participant's basic salary.

*(vii) Overseas employees*

The New Henderson Group Board may in its discretion grant phantom awards to non-UK resident employees in the form of a right to receive, contingent on the exercise of the phantom award, a cash payment equal to the market value of a maximum number of phantom shares determined by the New Henderson Group Board at the date of grant. The rules of the New Henderson Group Long Term Incentive Plan will apply *mutatis mutandis* to phantom awards.

**(d) New Henderson Group Company Share Option Plan**

*(i) Introduction*

Under the New Henderson Group Company Share Option Plan eligible employees of New Henderson Group and its subsidiaries selected by the New Henderson Group Board may be granted a share option to acquire New Henderson Group Ordinary Shares at a fixed exercise price at a future date (normally between the third and fifth anniversary of the grant date). Exercise will not be subject to performance conditions. Approval from HM Revenue & Customs will be applied for. Benefits under the New Henderson Group Company Share Option Plan are not pensionable.

*(ii) Eligibility*

The New Henderson Group Company Share Option Plan will be operated on a discretionary basis by the New Henderson Group Board, and it is envisaged that participation will be broadly based amongst employees. Executive Directors of New Henderson Group will not be eligible to receive options under the plan.

*(iii) Exercise price*

The exercise price of options, which will be determined by the New Henderson Group Board, will be not less than the middle market quotation of a New Henderson Group Ordinary Share derived from the Daily Official List of the LSE for the day immediately preceding the date of grant.

*(iv) Exercise of options*

Options may normally only be exercised between the third and fifth anniversaries of grant (although the New Henderson Group Board may grant options on terms that the exercise period may continue until the tenth anniversary of grant). If an option holder leaves employment, his options will normally lapse. However, options will be exercisable early in certain circumstances, including death, injury, disability, ill-health, redundancy, retirement on or after age 55, the subsidiary or business for which the option holder works leaving the Group or (if the New Henderson Group Board so decides in its absolute discretion) for some other reason. In these circumstances options will be exercisable for a period of six months following cessation (or twelve months in the event of death). Options may also be exercised in the event of a takeover (or, in certain circumstances, may be exchanged for options over shares in an acquiring company).

*(v) Individual limits*

The aggregate price payable on the exercise of all unexercised HM Revenue & Customs approved options granted to an employee (excluding Sharesave options) may not exceed £30,000 (or such other amount as is specified by legislation from time to time).

**(e) New Henderson Group Buy As You Earn Plan ("BAYE Plan")**

*(i) Introduction*

The BAYE Plan will operate within UK legislation for HM Revenue & Customs approved share incentive plans. Approval of the BAYE Plan by HM Revenue & Customs will be applied for. The BAYE Plan will be supervised by the New Henderson Group Remuneration Committee. New Henderson Group Ordinary Shares awarded under the BAYE Plan will be held by a trustee in a special UK-resident trust on and subject to the terms of the trust deed and rules of the BAYE Plan. BAYE Plan benefits will not be pensionable.

*(ii) Eligibility*

All UK resident or ordinarily resident employees of the New Henderson Group (including the Executive Directors) who are designated as qualifying employees will be eligible to participate in the BAYE Plan.

*(iii) Types of award*

The New Henderson Group Remuneration Committee may decide to invite applications from qualifying employees for any one or more of three types of award: (a) an award of free New Henderson Group Ordinary Shares ("Free Shares"); (b) an award of New Henderson Group Ordinary Shares purchased by qualifying employees out of deductions from their pre-tax salary ("Partnership Shares"); and (c) an award of free shares ("Matching Shares") to qualifying employees who purchase Partnership Shares.

(a) Free Shares

The New Henderson Group Remuneration Committee may, in its discretion, determine that a fixed number of Free Shares may be awarded to all qualifying employees or that Free Shares may be awarded by reference to individual, team, divisional or corporate performance measures. The aggregate market value of Free Shares that can be awarded to any qualifying employee under the BAYE Plan in any year may not exceed the statutory maximum for HM Revenue & Customs approved share incentive plans, which is currently £3,000 per annum.

(b) Partnership Shares

The New Henderson Group Remuneration Committee may also invite qualifying employees to enter into a contract to acquire Partnership Shares using the employee's pre-tax salary. The number of Partnership Shares that an eligible employee may acquire from their pre-tax salary under the BAYE Plan in any year may not exceed the statutory maximum for HM Revenue & Customs approved share incentive plans, which is currently the lesser of £1,500 per annum and 10% of salary.

The New Henderson Group Remuneration Committee may permit Partnership Shares to be acquired either (a) using deductions from salary which are accumulated for a period of up to 12 months, in which case New Henderson Group Ordinary Shares will be bought within 30 days of the end of the accumulation period; or (b) using monthly deductions from pay, in which case New Henderson Group Ordinary Shares will be bought within 30 days of each deduction.

Where employees buy Partnership Shares at the end of an accumulation period, the price at which the New Henderson Group Ordinary Shares are bought will be the lower of the market value of these New Henderson Group Ordinary Shares at the beginning or end of the accumulation period.

(c) Matching Shares

The New Henderson Group Remuneration Committee may in its discretion also offer Matching Shares to qualifying employees who have purchased Partnership Shares.

The number of Matching Shares that the New Henderson Group Remuneration Committee may award to a qualifying employee who has acquired Partnership Shares under the BAYE Plan in any year will be determined by the New Henderson Group Remuneration Committee and may not exceed the statutory maximum for HM Revenue & Customs approved share incentive plans (currently in the ratio of up to two Matching Shares to each Partnership Share purchased).

The aggregate market value of Matching Shares which can therefore be awarded to a qualifying employee in any year cannot exceed £3,000.

The maximum value of New Henderson Group Ordinary Shares that a qualifying employee can obtain under the three types of awards under the BAYE Plan is £7,500 in any year.

(d) Dividend Shares

The New Henderson Group Remuneration Committee may permit dividends paid on any New Henderson Group Ordinary Shares awarded and held in trust to be reinvested in acquiring further New Henderson Group Ordinary Shares ("Dividend Shares") to be held in the trust, or paid out directly to a participant. Any reinvested Dividend Shares will normally be subject to a holding period of three years, after which time they can be withdrawn without a charge to income tax.

The amount of dividends that can be invested by an eligible employee in further Old Henderson Group Ordinary Shares may be determined by the New Henderson Group Remuneration Committee and may not exceed the statutory maximum for HM Revenue & Customs approved share incentive plans, which is currently £1,500 per annum.

(e) Maximum value

The maximum value of New Henderson Group Ordinary Shares that a qualifying employee can obtain under the four types of awards under the BAYE plan is £9,000 in any year.

*(iv) Holding periods and forfeiture of Free Shares and Matching Shares*

Participants may not withdraw their Free Shares or Matching Shares from the BAYE Plan during a holding period determined by the New Henderson Group Remuneration Committee which cannot be less than three years nor more than five years. Partnership Shares and Dividend Shares can be withdrawn from the BAYE Plan at any time, although the New Henderson Group Remuneration Committee may require Matching Shares to be forfeited if the related Partnership Shares are withdrawn within three years of purchase.

The New Henderson Group Remuneration Committee may require Free Shares and/or Matching Shares to be forfeited if a participant ceases to be an employee for reasons other than death, injury or disability, redundancy, retirement or by reason of a transfer of a business or by reason of a change of control or other circumstances ending the associated company status of the company by which he or she is employed at any time during a forfeiture period which cannot exceed three years. If a participant's employment ceases for any reason, the trustees must either transfer any New Henderson Group Ordinary Shares held in the BAYE Plan to the participant or dispose of the New Henderson Group Ordinary Shares and transfer the proceeds of sale to the participant.

**(f) New Henderson Group Ordinary Sharesave Plan**

*(i) Introduction*

Under the New Henderson Group Ordinary Sharesave Plan participants may enter into a three, five or seven year savings contract and will be granted a share option which can be exercised upon maturity of the related savings contract. Approval from HM Revenue & Customs will be applied for. Benefits under the New Henderson Group Ordinary Sharesave Plan are not pensionable.

*(ii) Eligibility*

All UK-resident and ordinarily resident employees of the New Henderson Group (including Executive Directors), who have completed such period of continuous employment with a New Henderson Group company as is specified by the New Henderson Group Board (not exceeding five years) may apply for options under the New Henderson Group Ordinary Sharesave Plan whenever it is operated.

*(iii) Exercise price*

The exercise price of options granted under the New Henderson Group Ordinary Sharesave Plan may not be less than 80% of the closing middle market quotation of a New Henderson Group Ordinary Share as derived from the Daily Official List of the LSE for the date of invitation or, if the New Henderson Group Board so decides, the date of grant. In no circumstances can the exercise price of an option over unissued New Henderson Group Ordinary Shares be less than the nominal value of a New Henderson Group Ordinary Share.

*(iv) Savings contracts*

At the time of receiving options, participants must enter into a three, five or seven year savings contract (whichever is offered), with a nominated savings institution, under which they agree to make monthly contributions of up to £250 (or any higher amount permitted by legislation and approved by the New Henderson Group Board), from their pay. The number of New Henderson Group Ordinary Shares over which a participant may be granted an option will be the number that can be acquired, at the exercise price, with the savings made plus any tax-free bonus payable by the savings institution on maturity of the savings contract.

The New Henderson Group Board may limit the number of New Henderson Group Ordinary Shares over which options may be granted in a particular invitation period. If there is an over-application for options, each applicant's allocation will be scaled-down.

*(v) Exercise of options*

Options may normally only be exercised during the six month period following the maturity date of the related savings contract. This may be after the third, fifth or seventh anniversary of the date of grant depending on which savings contract a participant selected.

In certain circumstances, early exercise of options is permitted in respect of the number of New Henderson Group Ordinary Shares that may be acquired using the proceeds of the partially completed savings contract. Examples are where the participant leaves the New Henderson Group by reason of death, retirement at age 60 or at his contractual retirement age, injury or disability, redundancy, early retirement more than three years after grant, or the sale of a business or company in which a participant works or where New Henderson Group is taken-over or voluntarily wound-up. If a participant leaves employment with the New Henderson Group other than in such special circumstances, his option will lapse.

In the event of any change of control of New Henderson Group, options may, by agreement with the acquiring company, be rolled-over into options over shares in the acquiring company.

### (g) New Henderson Group Ordinary Sharesave Plan USA

*(i) Introduction*

Under the New Henderson Group Ordinary Sharesave Plan USA, employees of New Henderson Group's United States subsidiaries may, from time to time, at the discretion of the New Henderson Group Board, be granted options to acquire New Henderson Group Ordinary Shares. An option will normally become exercisable on one or more dates determined by the New Henderson Group Board at the time of grant and this date or dates will, in all events, be on or before the expiration of 27 months from the option grant date. Employees who choose to participate in the New Henderson Group Ordinary Sharesave Plan USA will be required to specify an amount they wish to contribute and such amount will be deducted from the employee's payroll in equal instalments during the contribution period established by the New Henderson Group Board. Benefits under the New Henderson Group Ordinary Sharesave Plan USA are not pensionable.

*(ii) Eligible Employees*

All employees of any United States subsidiary of New Henderson Group designated by the New Henderson Group Board may be invited to participate in the New Henderson Group Ordinary Sharesave Plan USA. As a condition to participation in the New Henderson Group Ordinary Sharesave Plan USA, the New Henderson Group Board may require an employee to have been in continuous employment for a period of up to two years. Employees who own New Henderson Group Ordinary Shares possessing 5% or more of the total combined voting power of New Henderson Group will not be eligible.

*(iii) Employee Contribution*

The minimum amount an employee may choose to contribute during the specified contribution period shall be established at the beginning of each contribution period and the maximum amount an employee may be permitted to contribute during the specified contribution period will be $25,000. Once an amount is elected, it will automatically be deducted from the employee's regular payroll in equal instalments over the contribution period. Only after-tax money may be contributed to the New Henderson Group Ordinary Sharesave Plan USA. Any interest that accrues on the employee's contributions will be distributed to the employee on an annual basis.

*(iv) Contribution Period*

An employee who elects to participate in the New Henderson Group Ordinary Sharesave Plan USA will be required to make the payroll contributions during the contribution period established by the New Henderson Group Board. It is expected that each contribution period will be two years. In order to comply with United States tax laws governing the New Henderson Group Ordinary Sharesave Plan USA, in no event will a contribution period last longer than 27 months after the option grant date. The New Henderson Group Board may in its discretion establish a new contribution period each year during the term of the New Henderson Group Ordinary Sharesave Plan USA subject to certain limitations under the United States tax laws.

*(v) Exercise Price*

The exercise price of an option may not be less than 85% of the fair market value of a New Henderson Group Ordinary Share on the date the option is granted.

*(vi) Exercise of Options*

On the exercise date or dates established by the New Henderson Group Board, if the fair market value of a New Henderson Group Ordinary Share is greater than the per share exercise price of the option, the option (or the applicable proportion of the option) will be automatically exercised for the amount of the cash the employee contributed during the contribution period and the applicable number of New Henderson Group Ordinary Shares delivered to the employee. However if, on the exercise date or dates, the fair market value of a New Henderson Group Ordinary Share is less than the exercise price of the option, the option (or the applicable proportion of the option) will automatically expire and the cash the employee contributed during the contribution period will be returned to him or her in a lump sum together with any accrued but unpaid interest.

*(vii) Termination of Employment*

An employee who terminates employment because of a good leaver event (e.g., death, disability, redundancy, retirement at age 62 or a sale of his employing company) will be permitted to exercise his or her option for the amount of the cash contributed to the New Henderson Group Ordinary Sharesave Plan USA prior to the termination date for a period of three months after termination of employment. An employee who voluntarily resigns during the contribution period will no longer be eligible to participate in the New Henderson Group Ordinary Sharesave Plan USA and such employee's contribution will be returned with any accrued but unpaid interest.

*(viii) Change of Control or Other Reorganisations*

Options may generally be exercised before the specified exercise date on a takeover, scheme of arrangement or winding up of New Henderson Group. Options may only be exercised for the amount of the cash the employee has contributed during the contribution period until such early exercise date. Alternatively, participants may be allowed or, in certain circumstances, required, to exchange their options for equivalent options in the acquiring company.

***Provisions applicable to all New Henderson Group Share Plans***

*(i) Limits*

Options and share awards may be granted over unissued or existing New Henderson Group Ordinary Shares. No option or award may be granted under the New Henderson Group Share Plans if it would cause the number of New Henderson Group Ordinary Shares and Old Henderson Group Ordinary Shares that have been issued or may be issued pursuant to awards and options granted in the preceding 10 years under the New Henderson Group Share Plans and the Old Henderson Group Share Plans to exceed 10% of New Henderson Group's issued ordinary share capital at the proposed date of grant.

In addition, no award may be granted under the New Henderson Group BAYE Plan if it would cause the number of New Henderson Group Ordinary Shares and Old Henderson Group Ordinary Shares that have been issued or may be issued pursuant to awards and options granted in the preceding 5 years under the New Henderson Group BAYE Plan, any other New Henderson Group Share Plan and the Old Henderson Group Share Plans to exceed 5% of New Henderson Group's issued ordinary share capital at the proposed date of grant.

In addition, no option or award may be granted under the New Henderson Group Long Term Incentive Plan, the New Henderson Group Deferred Equity Plan, the New Henderson Group Restricted Share Plan or any other discretionary share plan adopted by New Henderson Group if it would cause the number of New Henderson Group Ordinary Shares and Old Henderson Group Ordinary Shares that have been issued or may be issued pursuant to awards and options granted in the preceding 10 years under such plans and any discretionary Old Henderson Group Share Plans to exceed 5% of New Henderson Group's issued ordinary share capital at the proposed date of grant.

If options or share awards are to be satisfied by a transfer of existing New Henderson Group Ordinary Shares, the percentage limits stated above will not apply.

*(ii) Adjustment of options and share awards*

In the event of any rights or capitalisation issue, sub-division, consolidation, reduction or other variation of New Henderson Group's ordinary share capital or, in relation to awards granted under the New Henderson Group Long Term Incentive Plan and the New Henderson Group Restricted Share Plan, the implementation by New Henderson Group of a demerger or payment of a dividend in specie or a super dividend which would otherwise materially affect the value of an option or share award, the New Henderson Group Board or New Henderson Group Remuneration Committee may adjust the number of New Henderson Group Ordinary Shares subject to options and share awards and the price (if any) payable on their exercise. Any adjustment to options granted under the New Henderson Group Ordinary Sharesave Plan, the New Henderson Group BAYE Plan and the New Henderson Group Company Share Option Plan must be approved by HM Revenue & Customs.

*(iii) Rights attaching to New Henderson Group Ordinary Shares*

Shares allotted or transferred under the New Henderson Group Share Plans will rank *pari passu* with New Henderson Group Ordinary Shares of the same class then in issue (except in respect of rights attaching to such shares by reference to a date prior to the date of exercise). New Henderson Group will apply to the UK Listing Authority for the Listing of any newly issued New Henderson Group Ordinary Shares.

*(iv) Amendments*

The New Henderson Group Remuneration Committee or New Henderson Group Board may amend the New Henderson Group Share Plans. However, the provisions governing eligibility requirements, equity dilution, individual participation limits and the adjustments that may be made following a rights issue or any other variation of capital cannot be altered to the advantage of eligible employees or participants without the prior approval of Shareholders at a general meeting (except for minor amendments to benefit the administration of the New Henderson Group Share Plans, to take account of a change in legislation or developments in the law affecting the New Henderson Group Share Plans or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the New Henderson Group Share Plans or for any member of the New Henderson Group).

In addition, no alteration may be made that would materially affect any existing rights of any participants without their prior consent. Amendments to the New Henderson Group Ordinary Sharesave Plan, the New Henderson Group BAYE Plan and the New Henderson Group Company Share Option Plan must be approved by HM Revenue & Customs.

*(v) Termination of the New Henderson Group Share Plans*

With the exception of the New Henderson Group Deferred Equity Plan, the New Henderson Group Share Plans will terminate on the tenth anniversary of the approval of the respective Old Henderson Group Share Plan by the Old Henderson Group Board, or such earlier time as the New Henderson Group Remuneration Committee or the New Henderson Group Board may determine, but the rights of existing participants will not thereby be affected. The New Henderson Group Deferred Equity Plan will terminate on the tenth anniversary of its approval by the New Henderson Group Board, or such earlier time as the New Henderson Group Remuneration Committee or the New Henderson Group Board may determine, but the rights of existing participants will not thereby be affected. In the event of termination, no further options or share awards will be granted.

## 8. DIRECTORS' AND OTHER INTERESTS IN HENDERSON GROUP

(a) On the Scheme Effective Date, assuming that no further Old Henderson Group Ordinary Shares have been purchased or issued after the Latest Practicable Date certain of the Directors (and their connected persons) will have the following beneficial interests in New Henderson Group Ordinary Shares by virtue of the effect of the Scheme on their Old Henderson Group Ordinary Shares.

| Director | Number of Old Henderson Group Ordinary Shares | Number of New Henderson Group Ordinary Shares | Percentage of issued share capital of New Henderson Group |
|---|---|---|---|
| Gerald Aherne | 1,000 | 1,000 | 0.0% |
| Duncan Ferguson | 7,488 | 7,488 | 0.0% |
| Toby Hiscock | 763,225 | 763,225 | 0.1% |
| Anthony Hotson | 13,416 | 13,416 | 0.0% |
| Rupert Pennant-Rea | 29,952 | 29,952 | 0.0% |
| John Roques | 27,488 | 27,488 | 0.0% |
| Roger Yates | 2,705,163 | 2,705,163 | 0.4% |

(b) The interests of the Directors together represent approximately 0.5% of the issued share capital of Old Henderson Group in existence as at the Latest Practicable Date.

(c) In addition to having an interest in Old Henderson Group Ordinary Shares as detailed in paragraph (a) above, certain of the Directors also have interests in Old Henderson Group Ordinary Shares as at the date referred to in paragraph (a) above as a result of their participation in the Old Henderson Group Share Plans. At the Latest Practicable Date these interests were as follows:

| | Number of Old Henderson Group Ordinary Shares under options or awards | | |
|---|---|---|---|
| Director | Sharesave options | LTIP award | RSP award |
| Roger Yates | 12,500 | 3,958,000 | – |
| Toby Hiscock | 7,797 | 1,386,500 | 52,881 |

Roger Yates and Toby Hiscock will on the Scheme becoming effective be able to elect for the options and awards granted to them under the Old Henderson Group Sharesave Scheme and the Old Henderson Group Long Term Incentive Plan to be exchanged for equivalent options and awards relating to an identical number of New Henderson Group Ordinary Shares as is set out above. Awards granted to Toby Hiscock under the Old Henderson Group Restricted Share Plan will automatically be exchanged for equivalent awards relating to an identical number of New Henderson Group Ordinary Shares as is set out above on the Scheme becoming effective.

(d) It was announced on 28 August 2008 that Mr Yates had indicated his wish to relinquish his executive duties. It is anticipated that Mr Yates will remain as Chief Executive until early November 2008 and that his employment will terminate on 3 March 2009.

It has been agreed that Mr Yates will be eligible to receive a discretionary bonus in respect of the financial year ending 31 December 2008 and any period worked in the financial year ending 31 December 2009. This discretionary bonus will be determined by the Remuneration Committee in September 2009 by reference to financial targets relating to the performance of the Henderson Group in the financial year ending 31 December 2008 and non-financial targets including achieving an orderly handover of key external relationships and the facilitation of an orderly succession to the chief executive role. Payment of this bonus will be conditional on compliance with certain post-termination restrictive covenants in the period up to 3 September 2009. The maximum discretionary bonus Mr Yates will be eligible to receive is 60% of the bonus that the Remuneration Committee considers he would have received in respect of the financial year ending 31 December 2008 (where target bonus was 300% of base salary and maximum bonus was 600% of base salary).

The Old Henderson Group Remuneration Committee has exercised its discretion in relation to Mr Yates' 2007 and 2008 share awards under the LTIP (which will not have vested as at Mr Yates' leaving date on 3 March 2009) so as to preserve these LTIP awards (pro rata to his actual service during the three year vesting period, being two-thirds of the original award in respect of the 2007 Old Henderson Group LTIP and one-third in respect of the 2008 Old Henderson LTIP) on terms that they will vest on the normal maturity date (to the extent that each LTIP award satisfies its performance target at the end of the relevant performance period) and subject to Mr Yates' compliance with certain other matters including not undertaking, prior to the relevant maturity date, activities which would have amounted to a breach of his post-termination restrictive covenants had such covenants remained in force until the relevant maturity date.

## 9. DETAILS OF ANY EXISTING FINANCING ARRANGEMENTS

On 2 May 2007, the Henderson Group issued five year senior, unrated, fixed rate notes of £175 million listed on the LSE. This debt instrument is unsecured and is repayable in full on 2 May 2012. The debt bears interest at a fixed rate of 6.5% per annum payable every six months at a nominal value of £5.7 million. The Henderson Group has swapped the fixed interest rate into a variable rate to match the rates earned on its cash balances. The debt is carried at amortised cost using the effective interest rate method (£174 million) adjusted to reflect the change in fair value attributable to the risks being hedged by the interest rate swap (£4 million). The fair value of the debt instrument at 30 June 2008 was £160.1 million.

## 10. JPMORGAN CAZENOVE AND UBS INVESTMENT BANK

JPMorgan Cazenove and UBS Investment Bank have each given and not withdrawn their consent to the issue of this document and the references to their respective names in the form and context in which they appear.

In accordance with customary practice in providing financial advice, JPMorgan Cazenove and UBS Investment Bank have not provided legal or taxation advice in relation to the Scheme.

## 11. COSTS AND EXPENSES

All costs and expenses relating to the issue of this document and the Prospectus and to the preparation and implementation of the Scheme will be borne by the Henderson Group.

**PART V – SCHEME OF ARRANGEMENT**
(UNDER SECTIONS 895 TO 899 OF THE COMPANIES ACT 2006)

**IN THE HIGH COURT OF JUSTICE** **No. 7322 of 2008**
**CHANCERY DIVISION**
**COMPANIES COURT**

between
Henderson Group plc (the "Company")
and
the Scheme Shareholders (as hereinafter defined)

**PRELIMINARY**

(A) In this scheme of arrangement, references to Clauses are references to clauses of this scheme of arrangement and the following expressions shall, unless inconsistent with the subject or context, bear the following meanings:

| | |
|---|---|
| A Ordinary Share | means the one A ordinary share in the capital of Old Henderson Group; |
| Act | means the Companies Act 2006; |
| Board | means the board of directors of New Henderson Group; |
| Business Day | means a day (other than a Saturday or a Sunday) on which banks are open for business in London and Sydney other than solely for trading and settlement in euro; |
| Court | means the High Court of Justice of England and Wales; |
| Court Meeting | means the meeting of Old Henderson Group Shareholders convened by order of the Court pursuant to sections 895 to 899 of the Act; |
| CREST | means the computerised system for the paperless settlement of sales and purchases of securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations; |
| CREST Regulations | means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) or the Companies (Uncertificated Securities) (Jersey) Order 1999 (as applicable) in each case, as from time to time amended; |
| General Meeting | means the general meeting of Old Henderson Group convened for 9.30am (London time) or as soon as possible after the Court Meeting concludes or is adjourned on 30 September 2008, and any adjournment of that meeting; |
| Euroclear | means Euroclear UK & Ireland Limited, the operator of CREST; |
| Holder | includes any person entitled by transmission; |
| New Henderson Group | means Henderson Group plc, a public company incorporated in Jersey with registered number 101484; |
| New Henderson Group Ordinary Shares | means ordinary shares of 12.5 pence each in the capital of New Henderson Group; |
| Old Henderson Group | means Henderson Group plc, a public limited company incorporated in England and Wales with registered number 2072534; |
| Old Henderson Group Ordinary Shares | means ordinary shares of 12.5 pence each in the capital of Old Henderson Group in issue prior to the Scheme Effective Date, excluding the A Ordinary Share; |
| New Ordinary Shares | means ordinary shares of 12.5 pence each in the capital of Old Henderson Group to be issued and allotted to New Henderson Group; |

| | |
|---|---|
| Overseas Shareholder | means a Scheme Shareholder who is a citizen, resident or national of any jurisdiction outside Australia, Jersey, New Zealand or the UK; |
| Scheme | means this scheme of arrangement in its present form or with any modification thereof or addition thereto or condition approved or imposed by the Court; |
| Scheme Effective Date | means the date on which the Scheme becomes effective in accordance with Clause 6.1; |
| Scheme Effective Time | means the time at which this Scheme becomes effective on the Scheme Effective Date; |
| Scheme Shareholder | means a holder of Scheme Ordinary Shares; |
| Scheme Ordinary Shares | means:<br>(a) all Old Henderson Group Ordinary Shares in issue at the date of the Scheme and which remain in issue at the Scheme Record Time;<br>(b) all (if any) additional Old Henderson Group Ordinary Shares in issue 48 hours prior to the Court Meeting at which the Scheme is approved and which remain in issue at the Scheme Record Time; and<br>(c) all (if any) further Old Henderson Group Ordinary Shares which may be in issue immediately prior to the confirmation by the Court of the reduction of capital provided for under the Scheme in respect of which the original or any subsequent holders shall be bound or shall have agreed in writing by such time to be bound by the Scheme and which remain in issue at the Scheme Record Time; |
| Scheme Record Date | means the Scheme Effective Date; |
| Scheme Record Time | means such time as is immediately before the Scheme Effective Time; |
| uncertificated or in uncertificated form | means recorded on the relevant register as in uncertificated form, being held in uncertificated form in CREST and title to which by virtue of CREST Regulations may be transferred by means of CREST. |

(B) The authorised share capital of Old Henderson Group as at the date of this Scheme is £243,738,847 divided into 1,949,910,776 Old Henderson Group Ordinary Shares of 12.5 pence each of which 725,192,969 are in issue and are fully paid up. Before the Scheme becomes effective, the share capital of Old Henderson Group is expected to increase by the creation and issue of the A Ordinary Share.

(C) New Henderson Group was incorporated in Jersey as a private company on 5 August 2008 under the name IGH Limited, and changed its name to Henderson Group plc on 22 August 2008. It changed its status from a private company to a public company on 22 August 2008. The authorised share capital of New Henderson Group at the date of this Scheme is £243,738,847 divided into 1,949,910,776 New Henderson Group Ordinary Shares of 12.5 pence each. On 5 August 2008, two ordinary shares of 12.5 pence each in New Henderson Group were issued (fully paid up) to the subscribers to the memorandum.

(D) Immediately before the reduction of share capital referred to in Clause 1(a) takes effect, it is intended that Old Henderson Group shall be re-registered as a private company pursuant to section 139(3) of the Companies Act 1985 and Old Henderson Group's memorandum and the amended Old Henderson Group Articles shall be amended accordingly.

(E) New Henderson Group has agreed to appear by Counsel on the hearing of the claim form to sanction the Scheme and to undertake to the Court to be bound thereby and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme.

**THE SCHEME**

**1. CANCELLATION OF SCHEME ORDINARY SHARES**

(a) At the Scheme Effective Time, the share capital of Old Henderson Group shall be reduced by cancelling and extinguishing the Scheme Ordinary Shares immediately after the allotment and issue of New Henderson Group Ordinary Shares pursuant to Clause 2(a).

(b) Forthwith and contingently upon the Reduction of Capital taking effect:

(i) the authorised share capital of Old Henderson Group shall be increased by the creation of such number of New Ordinary Shares as have an aggregate nominal value equal to aggregate nominal value of the Scheme Ordinary Shares cancelled in accordance with sub-clause (a) of this Clause; and

(ii) Old Henderson Group shall apply the credit arising in its books of account as a result of the reduction of capital pursuant to sub-clause (a) of this Clause in paying up in full at par such number of New Ordinary Shares created pursuant to sub-clause (b)(i) of this Clause and shall allot and issue the same, credited as fully paid, to New Henderson Group and/or its nominee(s) as the holder of the A Ordinary Share.

**2. NEW SHARES**

(a) In consideration of the cancellation of the Scheme Ordinary Shares and the issue of the New Ordinary Shares of Old Henderson Group to New Henderson Group and/or its nominee(s) pursuant to Clause 1, New Henderson Group shall, at the Scheme Effective Time but immediately before the cancellation of the Scheme Ordinary Shares pursuant to Clause 1(a), (subject to the provisions of sub-clause (b) of this Clause) allot and issue (credited as fully paid) New Henderson Group Ordinary Shares to the Scheme Shareholders on the following basis:

one **New Henderson Group Ordinary Share** for each **Scheme Ordinary Share** held at the Scheme Record Time.

(b) The provisions of sub-clause (a) of this Clause shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any Overseas Shareholder, New Henderson Group is advised that the allotment and issue of New Henderson Group Ordinary Shares pursuant to this Clause may infringe the laws of any jurisdiction outside Australia, the UK, New Zealand or Jersey or may require New Henderson Group to obtain any governmental or other consent or effect any registration, filing or other formality, then New Henderson Group may in its sole discretion determine that:

(i) New Henderson Group Ordinary Shares shall not be allotted and issued to such Overseas Shareholder under this Clause, but shall instead be allotted to a nominee appointed by New Henderson Group, as trustee for such Overseas Shareholder, on terms that they shall, as soon as reasonably practicable following the Scheme Effective Date be sold on behalf of such Overseas Shareholder at the best price which can reasonably be obtained and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder in accordance with the provisions of Clause 3. None of Old Henderson Group, New Henderson Group, any nominee referred to in this sub-clause 2(b)(i) or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale; or

(ii) such New Henderson Group Ordinary Shares shall be sold, in which event the New Henderson Group Ordinary Shares shall be issued to such holder and New Henderson Group shall appoint a person to act pursuant to this sub-clause 2(b)(ii) and such person shall be authorised on behalf of such holder to procure that any shares in respect of which New Henderson Group has made such a determination shall, as soon as practicable following the Scheme Effective Date, be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder in accordance with the provisions of Clause 3. To give effect to any such sale, the person so appointed shall be authorised on behalf of such holder to execute and deliver a form of transfer and to give instructions and do all such things which he may consider necessary or expedient in connection with such sale. None of Old Henderson Group, New Henderson Group, any appointee referred to in this sub-clause 2(b)(ii) or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale.

**3. CERTIFICATES**

(a) Not later than 5 Business Days after the Scheme Effective Date, New Henderson Group shall allot and issue all the New Henderson Group Ordinary Shares which it is required to allot and issue pursuant to Clause 2(a) and not later than 10 Business Days after the Scheme Effective Date, New Henderson Group shall send by post to the allottees of the allotted and issued New Henderson Group Ordinary Shares certificates in respect of such shares, save that where Scheme Ordinary Shares are held in uncertificated form, New Henderson Group shall procure that Euroclear is instructed to cancel the entitlement to Scheme Ordinary Shares of each of the Scheme Shareholders concerned and to credit to the appropriate stock account in CREST of the Scheme Shareholder concerned such shareholder's entitlement to New Henderson Group Ordinary Shares.

(b) Not later than 5 Business Days after the Scheme Effective Date Old Henderson Group shall arrange for the delivery to New Henderson Group of certificates in respect of its holdings of New Ordinary Shares.

(c) Not later than 5 Business Days following the sale of any relevant New Henderson Group Ordinary Shares pursuant to Clause 2(b), New Henderson Group shall procure that the nominee or appointee, as the case may be shall account for the cash payable either by despatching cheques by post or by any direct debit, bank or other funds transfer system or, in the case of an uncertificated share, the relevant system as defined in the Uncertificated Securities Regulation 2001 (the "relevant system") to the persons respectively entitled thereto;

(d) All certificates required to be sent by New Henderson Group pursuant to sub-clause (a) of this Clause and all cheques required or permitted to be sent pursuant to sub-clause (c) shall be sent through the post in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses appearing in the register of members of Old Henderson Group at the close of business on the Scheme Record Date (or, in the case of joint holders, to the address of that one of the joint holders whose name stands first in the register in respect of the joint holding) or in accordance with any special instructions regarding communications received at the registered office of Old Henderson Group prior to the Scheme Record Date.

(e) None of Old Henderson Group, New Henderson Group, any nominee referred to in Clause 2(b) or any agent of any of them shall be responsible for any loss or delay in transmission of certificates or cheques or any direct debit, bank or other funds transfer or any payment made by the relevant system sent or made in accordance with this Clause.

(f) The preceding sub-clauses of this Clause shall take effect subject to any prohibition or condition imposed by law.

(g) All cheques shall be made payable to the holder or, in the case of joint holders, to all such holders of the Scheme Ordinary Shares concerned and the encashment of any such cheque shall be a complete discharge of New Henderson Group for the moneys represented thereby. The transfer of funds by the bank instructed to make a transfer or, in respect of an uncertificated share, the making of payment in accordance with the facilities and requirements of the relevant system shall be a complete discharge of New Henderson Group for the moneys transferred.

**4. CERTIFICATES REPRESENTING SCHEME ORDINARY SHARES**

With effect from and including the Scheme Effective Date, all certificates representing holdings of Scheme Ordinary Shares shall cease to be valid in respect of such holdings and the holders of such shares shall be bound at the request of Old Henderson Group to deliver such certificates for cancellation to Old Henderson Group or to any person appointed by Old Henderson Group to receive the same.

**5. MANDATES**

Each mandate in force, and duly notified to Old Henderson Group, at the Scheme Record Time relating to the payment of dividends on Scheme Ordinary Shares and each instruction then in force and duly notified to Old Henderson Group, as to notices and other communications from Old Henderson Group shall, unless and until varied or revoked, be deemed from and including the Scheme Effective Date to be a valid and effective mandate or instruction with respect to New Henderson Group in relation to the corresponding New Henderson Group Ordinary Shares to be allotted and issued pursuant to the Scheme.

## 6. SCHEME EFFECTIVE DATE

6.1 The Scheme shall become effective as soon as an office copy of the Order(s) of the Court sanctioning the Scheme under section 899 of the Act and confirming under section 137 of the Companies Act 1985 the reduction of capital provided for under the Scheme shall have been duly delivered to the Registrar of Companies for registration and, in the case of the confirmation of the reduction of capital, been registered by the Registrar of Companies.

6.2 Unless the Scheme shall have become effective on or before 31 December 2008 or such later date, if any, as Old Henderson Group and New Henderson Group may agree and the Court may allow, it shall lapse.

## 7. MODIFICATION

Old Henderson Group and New Henderson Group may jointly consent on behalf of all persons concerned to any modification of or addition to the Scheme or to any condition which the Court may think fit to approve or impose.

Dated 4 September 2008

**IN THE HIGH COURT OF JUSTICE** **No. 7322 of 2008**
**CHANCERY DIVISION**
**COMPANIES COURT**

IN THE MATTER OF Henderson Group plc

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 4 September 2008 made in the above matters the Court has directed a meeting (the "**Court Meeting**") to be convened of the holders of the ordinary shares of 12.5 pence each (hereinafter called the "**Old Henderson Group Ordinary Shares**") in Old Henderson Group (hereinafter called the "**Company**") for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement proposed to be made between the Company and the holders of Old Henderson Group Ordinary Shares expressed to be subject to that Scheme of Arrangement and that such meeting will be held at 4 Broadgate, London EC2M 2DA at 9.00am (London time) and broadcast to the Wesley Conference Centre, 220 Pitt Street, Sydney NSW, Australia at 6.00pm (Sydney time) on 30 September 2008 at which place(s) and time(s) all the holders of Old Henderson Group Ordinary Shares are requested to attend.

A copy of the said Scheme of Arrangement and a copy of the Explanatory Statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

Holders of Old Henderson Group Ordinary Shares entitled to vote at the Court Meeting may vote at that meeting in person or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead.

It is requested that white Proxy Forms be lodged with the Henderson Group share registrar at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, or proxy instructions given via internet, to be received no later than 48 hours before the time appointed for the Court Meeting. If white Proxy Forms (but not CDI Voting Instruction Forms) are not so lodged, they may be handed to a representative of the Henderson Group's share registrar or to the Chairman at the Court Meeting.

If you are a CDI holder, you may either direct CDN how it should vote or instruct CDN to appoint you or someone else as its proxy to act on your behalf, and vote at the meeting. If you are directing CDN how it should vote on your behalf, the white CDI Voting Instruction Form (a copy of which is enclosed herewith), or voting instructions submitted via internet, must be received no later than 6.00pm (Sydney time), 26 September 2008. If you are instructing CDN to appoint you or someone else as its proxy, the white Voting Instruction Form or voting instructions submitted via internet, must be received no later than 6.00pm (Sydney time) on 28 September 2008. CDI Voting Instruction Forms should be sent to Henderson Group share registrar in Australia, GPO Box 4578, Melbourne, Victoria 8060, Australia, or, in New Zealand, Private Bag 92119, Auckland 1142, New Zealand or faxed to 03 9473 2118 in Australia or to 09 488 8787 in New Zealand.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names appear in the register of members of the Company in respect of the joint holding.

Any documents or information relating to proceedings at the Court Meeting may only be sent to Old Henderson Group in one of the ways set out in this Notice.

Entitlement to attend and vote at the Court Meeting and the number of votes which may be cast at any such meeting will be determined by reference to the register of members of the Company at 6.00pm (London time) on the date falling two days before the date of the meeting. If the Court Meeting is adjourned, entitlements to attend and vote will be determined by reference to the register of members of the Company at 6.00pm on the date falling two days before the adjourned meeting.

By the said Order, the Court has appointed Rupert Pennant-Rea or, failing him, John Roques, to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the Court. The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

**CHESS DEPOSITARY NOMINEE'S FINANCIAL SERVICES GUIDE**

To obtain a copy of the CHESS Depositary Nominee's Financial Services Guide, go to www.asx.com.au/CDIs or phone 131 279 (from Australia) if you would like one sent to you by mail.

**NOTE FOR CREST MEMBERS**

Electronic proxy appointment through CREST.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST manual, CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST proxy instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent, Computershare Investor Services PLC, by 9.00am (London time) on 28 September 2008 (or 48 hours preceding the date and time for any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CREST Co does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time). In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

**IMPORTANT INFORMATION**

This document is important. If you have any doubts about the action you should take, please contact your stockbroker or financial adviser.

Freshfields Bruckhaus Deringer LLP,
65 Fleet Street,
London EC4Y 1HS

Solicitors for the Company
Dated 4 September 2008

Henderson Group plc

(Incorporated in England and Wales under the
Companies Act 1985 with registered number 2072534)

**NOTICE OF GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a General Meeting of Henderson Group plc (the "**Company**") will be held at 4 Broadgate, London EC2M 2DA on 30 September 2008 at 9.30am (London time) and broadcast to the Wesley Conference Centre, 220 Pitt Street, Sydney NSW, Australia at 6.30pm (Sydney time) (or as soon thereafter as possible after the meeting of the holders of Ordinary Shares of 12.5 pence in the capital of the Company convened by the High Court of Justice in England and Wales for the same place and date concludes or is adjourned) to consider and, if thought fit, passing the following resolutions, as a special resolution, in respect of resolution 1, and as ordinary resolutions, in respect of resolutions 2 to 9:

**SPECIAL RESOLUTION**

**1.**

THAT:

(a) the Scheme of Arrangement dated 4 September 2008, between the Company and the holders of the Company's ordinary shares expressed to be subject to that Scheme of Arrangement, in its original form or with or subject to any modification, addition or condition approved or imposed by the Court (the "**Scheme**") be approved and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;

(b) for the purpose of giving effect to the Scheme, the capital of the Company be reduced by cancelling and extinguishing the ordinary shares in the Company subject to the Scheme (the "**Scheme Ordinary Shares**");

(c) forthwith and contingently upon the said reduction of capital taking effect:

(i) the authorised share capital of the Company be increased to its former amount by the creation of the same number of new ordinary shares in the Company (the "**New Ordinary Shares**") as is equal to the number of Scheme Ordinary Shares cancelled pursuant to paragraph (b) of this resolution being equal in their aggregate nominal amount to the aggregate nominal amount of the Scheme Ordinary Shares cancelled pursuant to paragraph (b) of this resolution;

(ii) the Company shall apply the credit arising in its books of account as a result of such reduction of capital in paying up, in full at par, the new shares created pursuant to sub-paragraph (c)(i) of this resolution and shall allot and issue the same, credited as fully paid, to Henderson Group plc incorporated in Jersey with registered number 101484 and/or Henderson Group plc's nominee or nominees;

(d) the Directors of the Company be and they are hereby generally and unconditionally authorised, for the purposes of section 80 of the Companies Act 1985, to allot the New Ordinary Shares referred to in paragraph (c) above provided that (i) the maximum number of shares which may be allotted hereunder is the number (not exceeding 730,000,000) necessary to effect such allotments, (ii) this authority shall expire on 31 December 2008 and (iii) this authority shall be in addition to any subsisting authority conferred on the Directors of the Company pursuant to the said section 80;

(e) that subject to and conditional upon the said reduction of capital taking effect, the name of the Company be changed to HGI Group Limited;

(f) the articles of association of the Company adopted on 1 May 2008, and which take effect from 1 October 2008 be hereby amended by: (i) the adoption and inclusion of the following new article 220:

SHARES NOT OTHERWISE SUBJECT TO THE SCHEME

(A) In this Article only, references to the "Scheme" are references to the scheme of arrangement between the Company and its members dated 4 September 2008 under sections 895 to 899 of the Companies Act 2006, in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and (save as defined in this Article) expressions defined in the Scheme shall have the same meaning in this Article.

(B) Notwithstanding any other provisions in these Articles, if any Old Henderson Group Ordinary Shares are allotted and issued to any person (a New Member) other than New Henderson Group and/or its nominee or nominees after the time at which this Article becomes effective and before the Scheme Record Time, such Old Henderson Group Ordinary Shares shall be allotted and issued subject to the terms of the Scheme and shall be Scheme Ordinary Shares for the purposes thereof and the New Member, and any subsequent holder other than New Henderson Group and/or its nominee or nominees, shall be bound by the terms of the Scheme.

(C) If any Old Henderson Group Ordinary Shares are allotted and issued to a New Member after the Scheme Record Time, they will immediately be transferred to New Henderson Group and/or its nominee or nominees in consideration of and conditional on the issue or transfer to the New Member of one New Henderson Group Ordinary Share for every one Old Henderson Group Ordinary Share so transferred. The New Henderson Group Ordinary Shares issued pursuant to this Article 220 (C) to the New Member will be credited as fully paid and will rank equally in all respects with all New Henderson Group Ordinary Shares in issue at the time and be subject to the memorandum and articles of association of New Henderson Group.

(D) In order to give effect to any such transfer required by this Article 220, the Company may appoint any person to execute and deliver a form of transfer on behalf of the New Member in favour of New Henderson Group and/or its nominee or nominees and to agree for and on behalf of the New Member to become a member of New Henderson Group. Pending the registration of New Henderson Group as a holder of any share to be transferred pursuant to this Article 220, New Henderson Group shall be empowered to appoint a person nominated by the directors of the Company to act as attorney on behalf of any holder of such share in accordance with such directions as New Henderson Group may give in relation to any dealings with or disposal of such share (or any interest therein), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and any holder of such share shall exercise all rights attached thereto in accordance with the directions of New Henderson Group but not otherwise.

(ii) the adoption and inclusion of the following new article 221:

A ORDINARY SHARE

The authorised share capital of the Company be increased by 12.5 pence by the creation of one A Ordinary Share with a nominal value of 12.5 pence in the capital of the Company. The A Ordinary Share shall rank *pari passu* with the Ordinary Shares, save as set out below:

(A) the A Ordinary Share shall not entitle the holder of the share to receive notice of, or to attend or vote at, any general meeting of the Company;

(B) the A Ordinary Share shall not, save as provided in paragraph (C) below, be transferable; and

(C) the Company shall have an irrevocable authority from the holder of the A Ordinary Share at any time to do all or any of the following without obtaining the sanction of the holder of the A Ordinary Share;

(i) to appoint any person to execute on behalf of the holder of the A Ordinary Share a transfer of that share and/or an agreement to transfer the same (without making any payment for them) to such person as the Company may determine;

(ii) to purchase the share in accordance with the Act without obtaining the consent of the holder of that share in consideration of the payment to the holder whose share is purchased of an amount equal to one penny in respect of the A Ordinary Share then being purchased;

(iii) for the purposes of any such purchase, to appoint any person to execute a contract for the sale of such share to the Company on behalf of the holder of the A Ordinary Share;

(iv) to cancel the A Ordinary Share purchased in accordance with the Act; and

(v) pending any such transfer, purchase or cancellation, to retain the certificate (if any) for the A Ordinary Share; and

(iii) the adoption and inclusion of the following new definitions:

***A Ordinary Share*** means the one A ordinary share in the capital of the Company whose rights are set out in Article 221;

***Ordinary Shares*** means the ordinary shares in the capital of the Company, except the A Ordinary Share.

**ORDINARY RESOLUTIONS**

**2.** Subject to the passing of special resolution 1 with effect from the passing of this resolution, the Directors of the Company be and they are hereby generally and unconditionally authorised, for the purposes of Section 80 of the Companies Act 1985, to allot one A Ordinary Share, up to an aggregate nominal amount of 12.5 pence. This authority shall expire on the fifth anniversary of this resolution and this authority shall be in addition and without prejudice to any subsisting authority conferred on the directors of the Company pursuant to the said Section 80.

**3. NEW HENDERSON GROUP DEFERRED EQUITY PLAN**

That the New Henderson Group Deferred Equity Plan, adopted by New Henderson Group, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

**4. NEW HENDERSON GROUP RESTRICTED SHARE PLAN**

That the New Henderson Group Restricted Share Plan, adopted by New Henderson Group, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

**5. NEW HENDERSON GROUP LONG TERM INCENTIVE PLAN**

That the New Henderson Group Long Term Incentive Plan, adopted by New Henderson Group, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

**6. NEW HENDERSON GROUP COMPANY SHARE OPTION PLAN**

That the New Henderson Group Company Share Option Plan, adopted by New Henderson Group, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

**7. NEW HENDERSON GROUP BUY AS YOU EARN SHARE PLAN**

That the New Henderson Group Buy as You Earn Share Plan, adopted by New Henderson Group, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

**8. NEW HENDERSON GROUP ORDINARY SHARESAVE PLAN**

That the New Henderson Group Ordinary Sharesave Plan, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

**9. NEW HENDERSON GROUP ORDINARY SHARESAVE PLAN USA**

That the New Henderson Group Ordinary Sharesave Plan USA, adopted by New Henderson Group, the main features of which are summarised in the explanatory statement sent out with the Scheme, be approved and the New Henderson Group Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry the plan into effect.

By Order of the Board
Steven O'Brien
Company Secretary
4 September 2008

Registered Office:
4 Broadgate, London EC2M 2DA

**NOTES:**

1. A shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend, speak and vote instead of him/her. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not also be a shareholder. Please see page 13 for further details. The return of a completed Proxy Form, other such instrument or any CREST Proxy Instruction (as described in the "Notes for CREST members" below) will not prevent a member attending the meeting and voting in person if he/she wishes to do so.

2. Any documents or information relating to the proceedings at the meeting may only be sent to Henderson Group plc in one of the ways set out in this Notice.

3. A purple Proxy Form or CDI Voting Instruction Form and a reply paid envelope are enclosed which members are invited to complete and return.

   To be valid, the purple Proxy Form (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority) must be received by the Henderson Group share registrar by hand (during normal business hours only) or by post at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 9.30am (London time) 28 September 2008 (or 48 hours preceding the date and time for any adjourned meeting).

   If you are a CDI holder, you may either direct CDN how it should vote or instruct CDN to appoint you or someone else as its proxy to act on your behalf, and vote at the meeting. If you are directing CDN how it should vote on your behalf, the purple CDI Voting Instruction Form, or voting instructions submitted via internet, must be received no later than 6.00pm (Sydney time), 26 September 2008. If you are instructing CDN to appoint you or someone else as its proxy, the purple CDI Voting Instruction Form or voting instructions submitted via internet, must be received no later than 6.30pm (Sydney time) on 28 September 2008. CDI Voting Instruction Forms should be sent to Henderson Group share registrar in Australia, GPO Box 4578, Melbourne, Victoria 8060, Australia, or, in New Zealand, Private Bag 92119, Auckland 1142, New Zealand or faxed to 03 9473 2118 in Australia or to 09 488 8787 in New Zealand.

4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.

5. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6.00pm (London time) on 28 September 2008 (or at 6.00pm on the date falling two days before the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after such time will be disregarded in determining the right of any person to attend and/or vote at the meeting.

6. As at 3 September 2008 (being the Latest Practicable Date) prior to the publication of this document) the Company's issued share capital consists of 725,192,969 ordinary shares, carrying one vote each, and the total voting rights in the Company as at 3 September 2008 are 720,192,969.

7. In the case of joint shareholders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.

8. A shareholder which is a corporate and which wishes to be represented at the meeting by a person with authority to speak, vote on a show of hands and on a poll (a corporate representative) must appoint such a person by resolution of its directors or other governing body. A corporate representative has the same powers on behalf of the corporation he/she represents as that corporation could exercise if it was an individual member of the Company. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative

for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.

9. Copies of:

   (A) the Company's existing articles of association;

   (B) the Company's articles of association as proposed to be amended by paragraph (f) of resolution 1 set out in the notice of meeting; and

   (C) the draft rules of the New Henderson Group Share Plans,

   are available for inspection at the offices of Freshfields Bruckhaus Deringer LLP, the Company's solicitors, at 65 Fleet Street, London, EC4Y 1HS and at the Company's registered office at 4 Broadgate, London EC2M 2DA during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this notice until close of business on the date of the meeting and will also be available for inspection at the place of the meeting for at least 15 minutes before, and during, the meeting.

**CHESS DEPOSITARY NOMINEES FINANCIAL SERVICES GUIDE**

To obtain a copy of the CHESS Depositary Nominee's Financial Services Guide, go to www.asx.com.au/CDIs or phone 131 279 (from Australia) if you would like one sent to you by mail.

**NOTE FOR CREST MEMBERS**

Electronic proxy appointment through CREST.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST proxy instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent, Computershare Investor Services PLC (under CREST Participant ID 3RA50), by 9.30am (London time) on 28 September 2008 (or 48 hours preceding the date and time for any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and where applicable, their CREST sponsors or voting service providers should note that CREST does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s) to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time). In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

**IMPORTANT INFORMATION**

This document is important. If you have any doubts about the action you should take, please contact your stockbroker or financial adviser.

The following definitions apply throughout this document (except in PARTS V and VI which contain separate definitions) unless the context requires otherwise:

| | |
|---|---|
| "A$" | Australian dollars; |
| "A Ordinary Share" | means the one Class A ordinary share in the share capital of Old Henderson Group to be issued to New Henderson Group prior to the Court Hearing; |
| "ACN" | Australian company number; |
| "Admission" or "Listing" | admission of New Henderson Group Ordinary Shares to the Official List in accordance with the Listing Rules and the admission of the New Henderson Group Ordinary Shares to trading by the LSE on its market for listed securities in accordance with the Standards; |
| "ASTC Settlement Rules" | means the settlement rules of ASX Settlement and Transfer Corporation Pty Limited (ACN 008 504 532); |
| "ASX" | ASX Limited (ACN 008 624 691) or the Australian Securities Exchange (as appropriate); |
| "ASX Principles" | the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations published in August 2007; |
| "Australia" | the Commonwealth of Australia and all other areas subject to its jurisdiction; |
| "Business Day" | any day other than a Saturday or Sunday on which banks are open for business in London and Sydney other than solely for the purposes of trading and settlement in euro; |
| "CDI" | stands for CHESS Depositary Interest and means a unit of beneficial ownership of an underlying security registered in the name of CDN; |
| "CDN" | CHESS Depositary Nominees Pty Limited (ACN 071 346 506), in its capacity as depositary of the Old Henderson Group CDIs or as depositary of the New Henderson Group CDIs, as the context may require, under the ASTC Settlement Rules; |
| "Combined Code" | the Combined Code on Corporate Governance as updated; |
| "Court" or "High Court" | the High Court of Justice of England and Wales; |
| "Court Hearing" | the hearing of the claim form to sanction the Scheme; |
| "Court Meeting" | the meeting of Old Henderson Group Shareholders convened by order of the Court pursuant to sections 895-899 of the Companies Act, notice of which is set out on PART VI of this document; |
| "CREST" | the computerised system for the paperless settlement of sales and purchases of securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations; |
| "CREST Regulations" | the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) or the Companies (Uncertificated Securities) (Jersey) Order 1999 (as applicable) in each case, as from time to time amended; |
| "Directors" | the directors of Old Henderson Group or, the directors of New Henderson Group from time to time, as the context requires; |
| "Disclosure and Transparency Rules" or "DTR" | the disclosure and transparency rules relating to the disclosure of information in respect of financial instruments which have been admitted to trading on a regulated market or for which a request for admission to trading on such a market has been made, as published by the FSA; |

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| "EU" | the European Union; |
| "Euroclear" | Euroclear UK & Ireland Limited, the operator of CREST; |
| "Executive Director" | the executive directors of Old Henderson Group or, the executive directors of New Henderson Group from time to time, as the context requires, appointed in accordance with, and pursuant to, their respective articles of association; |
| "FSA" | the UK Financial Services Authority; |
| "FSMA" | the UK Financial Services and Markets Act 2000 (as amended); |
| "General Meeting" | the general meeting of Old Henderson Group convened for 9.30am (London time) or as soon thereafter as possible after the Court Meeting concludes or is adjourned on 30 September 2008, notice of which is set out in PART VI, and any adjournment of that meeting; |
| "Henderson Group" | Old Henderson Group and its subsidiary undertakings, or following the Scheme Effective Date, New Henderson Group and its subsidiary undertakings, as the context may require; |
| "Henderson Group Share Registry" | Old Henderson Group Share Registry or New Henderson Group Share Registry as the context may require; |
| "IAS" | the income access share which may be issued by a UK tax-resident subsidiary of Old Henderson Group as described in more detail in paragraph 5 of PART IV of this document; |
| "IAS Election" | an election made or deemed to be made by a New Henderson Group Shareholder to receive dividends paid on the IAS by IAS Issuer instead of dividends paid on his New Henderson Group Ordinary Shares; |
| "IAS Issuer" | a UK tax-resident subsidiary of Old Henderson Group which will issue the IAS to the IAS Trustee if the IAS plan is implemented; |
| "IAS plan" | the income access share plan as described in PART IV of this document; |
| "IAS rules" | the rules of the IAS plan; |
| "IAS Trust" | the English law trust which will hold the IAS in accordance with the IAS plan if the IAS plan is implemented; |
| "IAS Trust Deed" | the trust deed constituting the IAS Trust; |
| "IAS Trustee" | the trustee of the IAS Trust; |
| "Jersey Companies Law" | the Companies (Jersey) Law 1991 (as amended); |
| "JPMorgan Cazenove" | JPMorgan Cazenove Limited; |
| "Latest Practicable Date" | 3 September 2008, being the latest practicable date prior to publication of this document; |
| "Listing Rules" | the listing rules of the UK Listing Authority; |
| "LSE" | the London Stock Exchange; |
| "Management Committee" | the committee to which authority to deal with matters relating to the day to day operations of New Henderson Group has been delegated pursuant to the Board's powers under the New Henderson Group Articles, the members of which include the Chief Executive Officer and the Chief Financial Officer and other heads of business divisions; |

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|---|---|
| "Meetings" | the Court Meeting and the General Meeting (and "Meeting" means either of them); |
| "Model Code" | The Model Code on Directors Dealings in Securities as set out in Annex 1 to Rule 9 of the Listing Rules; |
| "New Henderson Group" | Henderson Group plc, a public company limited by shares incorporated in Jersey with registered number 101484; |
| "New Henderson Group Articles" | the articles of association of New Henderson Group; |
| "New Henderson Group Board" | the board of directors of New Henderson Group; |
| "New Henderson Group CDIs" | CDIs, each representing one New Henderson Group Ordinary Share; |
| "New Henderson Group Election" | a notice at any time electing not to participate in the IAS plan and instead to receive dividends from New Henderson Group; |
| "New Henderson Group Ordinary Shares" | the ordinary shares of 12.5 pence each in the capital of New Henderson Group; |
| "New Henderson Group Remuneration Committee" | the remuneration committee which has responsibility for making recommendations to the New Henderson Group Board on New Henderson Group's remuneration and compensation plans, policies and practices; |
| "New Henderson Group Shareholder" | refers to a holder of equity regardless of whether the equity is traded on the LSE in the form of New Henderson Group Ordinary Shares or on the ASX in the form of Henderson Group CDIs or, if the context requires otherwise, refers to a holder for the time being of New Henderson Group Ordinary Shares; |
| "New Henderson Group Shares" | shares in New Henderson Group, including New Henderson Group Ordinary Shares and New Henderson Group CDIs; |
| "New Henderson Group Share Plans" | The New Henderson Group Buy as You Earn Share Plan adopted by the New Henderson Group Board on 27 August 2008, the New Henderson Group Ordinary Sharesave Plan adopted by the New Henderson Group Board on 27 August 2008, the New Henderson Group Ordinary Sharesave Plan USA adopted by the New Henderson Group Board on 27 August 2008, the New Henderson Group Company Share Option Plan adopted by the New Henderson Group Board on 27 August 2008, the New Henderson Group Long Term Incentive Plan adopted by the New Henderson Group Board on 27 August 2008, the New Henderson Group Restricted Share Plan adopted by the New Henderson Group Board on 27 August 2008 and the New Henderson Group Deferred Equity Plan adopted by the New Henderson Group Board on 27 August 2008; |
| "New Henderson Group Share Registry" | Computershare Investors Services (Channel Islands) Limited, P.O. Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW or, in Australasia, Computershare Investor Services Pty Limited at GPO Box 4578, Melbourne, Victoria 8060, Australia, or, Private Bag 92119, Auckland 1142, New Zealand; |
| "New Ordinary Shares" | the ordinary shares of 12.5 pence each in the capital of Old Henderson Group to be issued and allotted to New Henderson Group; |
| "Non-Executive Director" | the non-executive directors of Old Henderson Group or the non-executive directors of New Henderson Group from time to time, as the context requires, appointed in accordance with, and pursuant to, their respective articles of association; |

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|---|---|
| "Official List" | the Official List of the UK Listing Authority; |
| "Old Henderson Group" | Henderson Group plc, a public limited company incorporated in England and Wales with registered number 2072534; |
| "Old Henderson Group Articles" | the articles of association of Old Henderson Group at the date of this document; |
| "Old Henderson Group Board" | the board of directors of Old Henderson Group; |
| "Old Henderson Group CDIs" | CDIs, each representing one Old Henderson Group Ordinary Share; |
| "Old Henderson Group Ordinary Shares" | the ordinary shares of 12.5 pence each in the share capital of Old Henderson Group, excluding the A Ordinary Share; |
| "Old Henderson Group Remuneration Committee" | the remuneration committee which has responsibility for making recommendations to the Old Henderson Group Board on Old Henderson Group's remuneration and compensation plans, policies and practices; |
| "Old Henderson Group Shareholder" | refers to a holder of equity regardless of whether the equity is traded on the LSE in the form of Old Henderson Group Ordinary Shares or on the ASX in the form of Henderson Group CDIs or, if the context requires otherwise, refers to a holder for the time being of Old Henderson Group Ordinary Shares (other than New Henderson Group); |
| "Old Henderson Group Share Plans" | The Henderson Global Investors Buy as You Earn Share Plan adopted by the Old Henderson Group Board on 3 June 2004, the Old Henderson Group Sharesave Plan adopted by the Old Henderson Group Board on 28 August 2003, the Old Henderson Group Sharesave Plan USA adopted by the Old Henderson Group Board on 11 May 2006, the Old Henderson Group Company Share Option Plan adopted by the Old Henderson Group Board on 26 February 2008, the Old Henderson Group Long Term Incentive Plan adopted by the Old Henderson Group Board on 28 August 2003, the Old Henderson Group Restricted Share Plan adopted by the Old Henderson Group Board on 28 August 2003 and the Henderson Global Investors Deferred Equity Plan /Employee Share Ownership Plan adopted by the Old Henderson Group Board on 18 February 2000; |
| "Old Henderson Group Share Registry | Computershare Investor Services PLC at PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 7NH, or, in Australasia, Computershare Investor Services Pty Limited at GPO Box 4578, Melbourne, Victoria 8060, Australia, or, Private Bag 92119, Auckland 1142, New Zealand; |
| "Ordinary Shares" | Old Henderson Group or New Henderson Group ordinary shares of 12.5 pence each as relevant; |
| "Overseas Shareholders" | Old Henderson Group Shareholders resident in, or citizens or nationals of, jurisdictions outside Australia, Jersey, New Zealand, and the UK; |
| "Proposals" | the proposals relating to the implementation of the Scheme as described in this document which will facilitate further restructuring of the Henderson Group; |
| "Prospectus" | the prospectus relating to New Henderson Group and the New Henderson Group Ordinary Shares prepared in accordance with the Prospectus Rules; |
| "Prospectus Rules" | the prospectus rules made under PART VI of FSMA (as set out in the FSA's Handbook of Rules and Guidance); |

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| "Reduction of Capital" | the proposed reduction of share capital of Old Henderson Group in accordance with the section 137 of the Companies Act 1985 and to be effected as part of the Scheme; |
| "Registrar of Companies" | the Registrar of Companies of England and Wales; |
| "Scheme" | the scheme of arrangement pursuant to sections 895 to 899 of the Companies Act in its present form or with or subject to any modification, addition or condition approved or imposed by the Court; |
| "Scheme Effective Date" | the date on which the Scheme becomes effective in accordance with its terms, expected to be 31 October 2008; |
| "Scheme Effective Time" | the time at which the Scheme becomes effective on the Scheme Effective Date; |
| "Scheme Ordinary Shares" | all Old Henderson Group Ordinary Shares in issue at the date of the Scheme and remaining in issue at the Scheme Record Time;<br>all (if any) additional Old Henderson Group Ordinary Shares in issue 48 hours prior to the Court Meeting at which the Scheme is approved and remaining in issue at the Scheme Record Time; and<br>all (if any) further Old Henderson Group Ordinary Shares which may be in issue immediately prior to the confirmation by the Court of the reduction of capital provided for under the Scheme in respect of which the original or any subsequent holders shall be bound or shall have agreed in writing by such time to be bound by the Scheme and remaining in issue at the Scheme Record Time; |
| "Scheme Record Date" | the Scheme Effective Date; |
| "Scheme Record Time" | such time as is immediately before the Scheme Effective Time; |
| "Scheme Shareholder" | a holder of Scheme Ordinary Shares; |
| "SEC" | means the US Securities and Exchange Commission; |
| "Second Court Hearing" | means the hearing of the Court to confirm the Reduction of Capital; |
| "Securities Act" | means the US Securities Act of 1933 as amended; |
| "Shareholder" | except where stated otherwise, where the term "Shareholder" (including "Old Henderson Group Shareholder" or "New Henderson Group Shareholder", as the case may be) is used in this document, it refers to a holder of equity regardless of whether the equity is traded on the LSE in the form of Old Henderson Group Ordinary Shares or on the ASX in the form of Henderson Group CDIs. Similarly, where the term "share" or "shareholding" is used in this document, it includes CDIs, where appropriate; |
| "Standards" | the current edition of the Admission and Disclosure Standards produced by the LSE; |
| "UBS Investment Bank" | UBS Limited; |
| "UK" or "United Kingdom" | the United Kingdom of Great Britain and Northern Ireland; |
| "UK Companies Act" | the UK Companies Act 2006; |
| "UK Companies Act 1985" | the UK Companies Act 1985 (as amended); and |
| "US" or "United States" | The United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction. |

**For shareholder queries please contact the Henderson Group Share Registry**

**Australia**
GPO Box 4578
Melbourne Victoria 8060
Phone: 1300 137 981
+ 61 (0) 3 9415 4081
Fax: + 61 (0) 3 9473 2500
Email: henderson@computershare.com.au

**United Kingdom**
PO Box 82 The Pavilions
Bridgwater Road
Bristol BS99 7NH
Phone: 0800 073 3916
Fax: 0870 703 6119
Email: web.queries@computershare.co.uk

**New Zealand**
Private Bag 92119
Auckland 1142
Phone: 0800 888 017
Fax: + 64 (0) 9 488 8787
Email: henderson@computershare.com.au

**www.henderson.com**

**Registered office**
4 Broadgate, London EC2M 2DA

# Henderson Group plc

## Attendance Card

Please bring this card with you to the meeting and present it at the Shareholder Registration Desk.

MR A SAMPLE
DESIGNATION (IF ANY)
MR JOINT HOLDER 1
ADD1
ADD2
ADD3
ADD4

12345

012345

The Chairman of Henderson Group plc (the "Company") invites you to attend the Court Meeting of the Company to be held at **4 Broadgate, London EC2M 2DA** on 30 September 2008 at 9.00am. If you wish to attend this meeting in your capacity as a holder of ordinary shares of the Company, please sign this card and on arrival hand it to a representative of the Company's share registrar. This will facilitate entry to the Court Meeting.

**Shareholder Reference Number**

C1234567890 J N T

## Proxy Form — Court Meeting to be held on 30 September 2008

**Kindly note:** This form is issued only to the addressee(s) and is specific to the unique designated account printed hereon. This personalised form is not transferable between different (i) account holders; or (ii) uniquely designated accounts. The Company and Computershare Investor Services PLC accept no liability for any instruction that does not comply with these conditions.

In the High Court of Justice No. 7322 of 2008 Chancery Division, Companies Court, in the Matter of Henderson Group plc and In the Matter of the Companies Act 2006.

I/We, the above-named, being a member/members of Henderson Group plc (the "Company") entitled to attend, speak and vote at meetings of the Company hereby appoint the Chairman of the Court Meeting or the following person.

*(Please leave the box blank if you wish to select the Chairman of the Court Meeting as your proxy. Do not insert your own name(s))*

**as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Court Meeting to be held at 4 Broadgate, London, EC2M 2DA on Tuesday 30 September at 9.00am, and at any adjournment of that meeting, for the purposes of considering and, if thought fit, approving (with or without modification, as my/our proxy may approve) the proposed scheme of arrangement referred to in the Notice of Court Meeting dated 4 September 2008 and at such meeting, or at any adjournment thereof, to vote for me/us and in my/our name(s) for or against the scheme of arrangement (with or without modification, as my/our proxy may approve) as indicated below.**

* For the appointment of more than one proxy, please refer to Explanatory Notes 3 and 5 (see reverse).

IMPORTANT - If you wish to vote for the scheme of arrangement, sign inside the box marked "FOR the Scheme". If you wish to vote against the scheme of arrangement, sign in the box marked "AGAINST the Scheme". Unless you sign in one of the aforementioned boxes and one only, this proxy form will be invalid. Joint shareholders should refer to note 4 overleaf.

| **FOR** the Scheme | OR | **AGAINST** the Scheme | **Date** |
|---|---|---|---|
| | | | / / |
| **Signature** | | **Signature** | |

If signing on behalf of a company, please see note 8.

**To be effective, all votes must be lodged at the office of the Company's Share Registry at: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 28 September 2008 at 9.00am or handed to a representative of the Company's share registrar at the Court Meeting**

## LODGE YOUR PROXY VOTE USING THE INTERNET 24 HOURS A DAY 7 DAYS A WEEK

**All Named Holders:**
MR A SAMPLE

**To Vote Using the Internet**

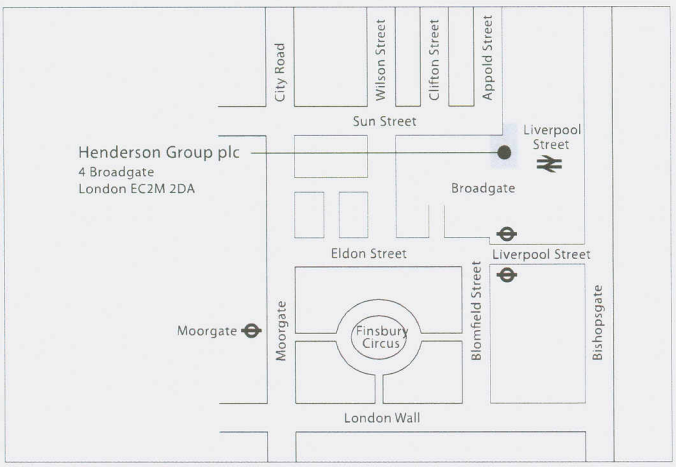
Go to the following website:
**http://go.henderson.com/nhg**

You will need an Internet enabled computer with minimum web browser of IE4 or Netscape 4. You will be asked to enter the Shareholder Reference Number (SRN) and PIN as printed opposite and agree to certain terms and conditions.

**SRN.** C1234567890 **PIN.** 1234

C0515 01 HHU

00000XXX/000000/000000 10000A 11JYSJ P01




**Directions from Liverpool Street Station:**

From the main concourse, follow the 'way out' sign near platform 1 to Broadgate. At the Station exit, take one of the two staircases on the right and then start to walk in a clockwise direction around the Broadgate Circle. 4 Broadgate is straight ahead.

**EXPLANATORY NOTES:**

1. If you have any questions about the Scheme Circular, the Court Meeting, or are in any doubt as to how to complete this form of proxy, please call the Henderson Group plc Share Registry between 8.30am and 5.30pm Monday to Friday (except UK public holidays) on 0800 073 3916 (from within the UK) or +44 870 703 0109 (from outside the UK). Calls will be charged at local or international rates as the case may be. Please note that calls may be monitored or recorded and the Company's Share Registry cannot provide financial advice or advice on the merits of the scheme of arrangement.

2. Scheme Shareholders (as defined in the said scheme of arrangement) entitled to attend, speak and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend, speak and vote in their place. Proxies may only be appointed using the procedures set out in this form of proxy. To appoint a person other than the Chairman of the Court Meeting as your proxy, insert the full name in the space provided (in BLOCK CAPITALS), delete the words "the Chairman of the Court Meeting or" and initial the alterations. A proxy need not be a member of the Company. Completion of this form of proxy will not prevent a Scheme Shareholder from attending, speaking and voting at the Court Meeting (or any adjournment thereof) in person, if he wishes to do so.

3. To appoint more than one proxy, you should attach a schedule to the form of proxy specifying the full name of each proxy, the number of shares each proxy appointment relates to and how you wish the proxies' votes to be cast. A failure to specify the number of shares each proxy appointment relates to, or specifying a number of shares in excess of those held by the member on the date referred to in note 11 below, will result in the proxy appointments being invalid.

FOLD HERE

4. In the case of joint Shareholders ("Joint Shareholders") the signature of any one Shareholder will be sufficient but the names of the Joint Shareholders should be stated. The senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other Joint Shareholders and for this purpose seniority will be determined by the order in which the names stand in the relevant register in respect of the joint holding.

FOLD HERE

5. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

6. The above is how your address appears on the Register of Members. If this information is incorrect please ring the Company's Share Registry on 0800 073 3916 to request a change of address form.

7. It is requested that this form appointing proxies be returned by post using the envelope provided (pre-paid for use in the United Kingdom only) or (during normal business hours only) by hand to the Company's Share Registry, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, by 9.00am (London time) on Sunday 28 September 2008 or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for the adjourned meeting but if forms are not so returned they may be handed to a representative of the Company's Share Registry on behalf of the Chairman of the meeting, before the meeting starts.

8. Where the person appointing the proxy is a company, this form of proxy must be executed either under its common seal or signed on its behalf by a director or other person authorised to sign or in any other manner authorised by its constitution. Where a director signs this form of proxy, the signatory should state his or her office on the form of proxy. In any other case, where a form of proxy has been signed on behalf of someone else, evidence of authority to sign, satisfactory to the directors of the Company, must be delivered with this form of proxy.

9. Any alteration to this form of proxy should be initialled by the person who signs it.

10. Further information and notes as to how you should complete this form of proxy are contained in the section headed "Action to be taken" on page 9 of the Scheme Circular accompanying this form of proxy.

11. Entitlement to attend and vote at the said meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at 6.00pm (London time) on the day which is two days immediately before the date of the said meeting or adjourned meeting (as the case may be). In each case, changes to the register of members of the Company after such time will be disregarded.

12. Full details of the business to be decided at the Court Meeting are set out in the Notice of Court Meeting dated 4 September 2008 and set out in Part V of the Scheme Circular accompanying this form of proxy.

13. Voting at the Court Meeting will be conducted on a poll rather than a show of hands.

14. By the said Order, the Court has appointed Rupert Pennant-Rea or, failing him, John Roques, to act as Chairman of the said meeting and has directed the Chairman to report the result thereof to the Court.

15. The said scheme of arrangement will be subject to the subsequent sanction of the Court.

16. Except as provided above, members who wish to communicate with the Company in relation to the matters set out in this form of proxy should do so in writing to the Company's share registrar Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by phone on 0800 073 3916 (+44 870 703 0109 if calling from outside the UK). No other methods of communication will be accepted. In particular you may not use any electronic address provided in this form of proxy, or elsewhere in the Scheme Circular or in any related documents (including the form of proxy for use at the Court Meeting of Henderson Group plc) for any purposes other than those expressly stated.

# Henderson Group plc

## Attendance Card

Please bring this card with you to the Meeting and present it at Shareholder registration/accreditation.

MR A SAMPLE
DESIGNATION (IF ANY)
MR JOINT HOLDER 1
ADD1
ADD2
ADD3
ADD4

12345

012345

The Chairman of Henderson Group plc (the "Company") invites you to attend the General Meeting of the Company to be held at **4 Broadgate, London EC2M 2DA** on **30 September 2008 at 9.30am.** If you wish to attend this General Meeting in your capacity as a holder of ordinary shares of the Company, please sign this card and on arrival hand it to a representative of the Company's share registrar. This will facilitate entry to the General Meeting.

**Shareholder Reference Number**

C1234567890 J N T

## Proxy Form — General Meeting to be held on 30 September 2008

**Kindly note:** This form is issued only to the addressee(s) and is specific to the unique designated account printed hereon. This personalised form is not transferable between different (i) account holders; or (ii) uniquely designated accounts. The Company and Computershare Investor Services PLC accept no liability for any instruction that does not comply with these conditions.

### Explanatory Notes:

1. Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder as his proxy to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided (see reverse). If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name (see reverse) the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).
2. To appoint more than one proxy, (an) additional proxy form(s) may be obtained by contacting the Registrars helpline on 0800 073 3916 or you may copy this form. Please indicate in the box with the proxy holder's name (see reverse) the number of securities in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is in addition to a previous instruction. All forms must be returned together in the same envelope.
3. The 'Vote Withheld' option overleaf is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
6. The above is how your address appears on the Register of Members. If this information is incorrect please ring the Registrar's helpline on 0800 073 3916 to request a change of address form or go to www.computershare.co.uk to use the online Investor Centre service.
7. Any alterations made to this form should be initialled.
8. The completion and return of this form will not preclude a member from attending the meeting and voting in person.

**To be effective, all proxy appointments must be lodged at the office of the Company's registrars at:**
**Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY by 28 September 2008 at 9.30am.**

### ALTERNATIVELY YOU CAN LODGE YOUR PROXY USING THE INTERNET 24 HOURS A DAY 7 DAYS A WEEK

**All Named Holders:**

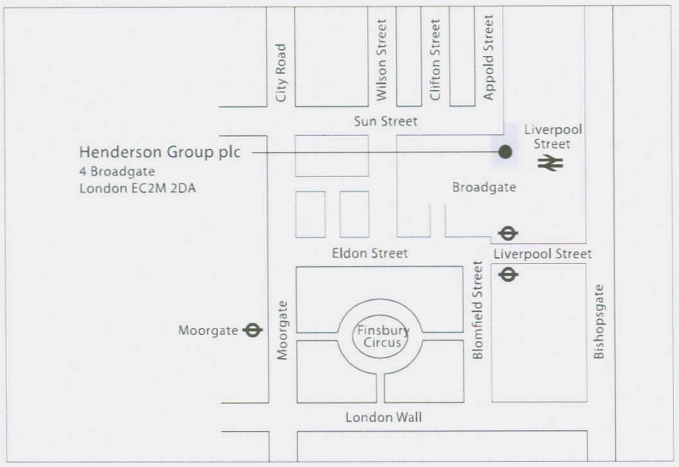
MR A SAMPLE

**SRN.** C1234567890 **PIN.** 1234

### To Lodge a Proxy Using the Internet

Go to the following website:
**http://go.henderson.com/nhg**

You will be asked to enter the Shareholder Reference Number (SRN) and PIN as printed opposite and agree to certain terms and conditions.




**Directions from Liverpool Street Station:**

From the main concourse, follow the 'way out' sign near platform 1 to Broadgate. At the Station exit, take one of the two staircases on the right and then start to walk in a clockwise direction around the Broadgate Circle. 4 Broadgate is straight ahead.

# Form of Proxy

Please use a **black** pen. Mark with an **X** inside the box as shown in this example. [X]

I/We hereby appoint the Chairman of the Meeting OR the following person

C1234567890 A B C D

**Please leave this box blank if you have selected the Chairman. Do not insert your own name(s).***

as my/our proxy to attend, speak and vote in respect of my/our full voting entitlement* on my/our behalf at the General Meeting of Henderson Group plc to be held at **4 Broadgate, London EC2M 2DA** on **30 September 2008 at 9.30am**, and at any adjourned meeting.

*** For the appointment of more than one proxy, please refer to Explanatory Note 2 (see front).**

FOLD HERE FOLD HERE

☐ Please tick here to indicate that this proxy appointment is one of multiple appointments being made.

| Special Resolution | For | Against | Vote Withheld |
|---|---|---|---|
| 1. To give effect to the proposed Scheme of Arrangement and related actions. | ☐ | ☐ | ☐ |
| **Ordinary Resolutions** | | | |
| 2. To authorise the Directors of the Company to allot one A Ordinary Share. | ☐ | ☐ | ☐ |
| 3. To approve the New Henderson Group Deferred Equity Plan. | ☐ | ☐ | ☐ |
| 4. To approve the New Henderson Group Restricted Share Plan. | ☐ | ☐ | ☐ |
| 5. To approve the New Henderson Group Long Term Incentive Plan. | ☐ | ☐ | ☐ |
| 6. To approve the New Henderson Group Company Share Option Plan. | ☐ | ☐ | ☐ |
| 7. To approve the New Henderson Group Buy as You Earn Share Plan. | ☐ | ☐ | ☐ |
| 8. To approve the New Henderson Group Sharesave Plan. | ☐ | ☐ | ☐ |
| 9. To approve the New Henderson Group Sharesave Plan USA. | ☐ | ☐ | ☐ |

I/we instruct my/our proxy as indicated on this form. Unless otherwise instructed the proxy may vote as he or she sees fit or abstain in relation to any business of the meeting.

**Signature**

**Date** / /

In the case of a corporation, this proxy must be given under its common seal or be signed on its behalf by an attorney or officer duly authorised, stating their capacity (e.g. director, secretary).

C0516 02 HHU

00000XXX/000000/000000 10000A 11KH4F P02