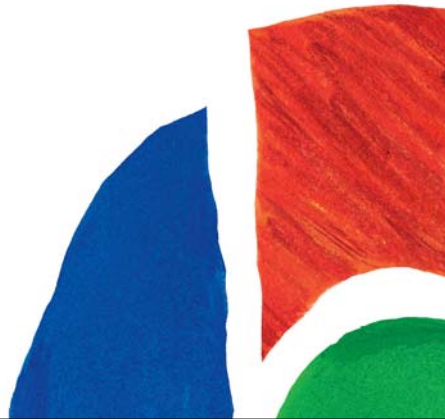


2006 Interim Results

Roger Yates, Chief Executive
Toby Hiscock, Chief Financial Officer

25 August 2006

All information in £



Henderson Group

1H06 overview

- Group operating profit before tax up 31% to £46.2m¹
- Henderson Global Investors
 - pre-tax profit growth of 23% to £46.6m
 - continued improvement in cost to income ratio to 69.2%
 - AUM £63.1bn (£67.7bn at 31 Dec 05)
 - £2bn net inflow into high margin products
 - new IMAs with Pearl, revenue neutral
- Corporate
 - return c£200m surplus capital, subject to UK Court & shareholder approval
 - agreed additional contributions with pension scheme trustees
 - completed sale of Towry Law UK
- 0.88 pence interim dividend declared

¹ Continuing operations.

Financial highlights

- Priorities
 - People & investment performance
 - Fund flows
 - Revenue & margins
- Outlook

Henderson Group Financials – profit and loss

Summary information from consolidated income statement

£m	1H06	1H05	% 1H06 vs 1H05	FY05
Henderson Global Investors	46.6	38.0	23	62.9
Corporate costs	(7.0)	(7.2)	3	(12.8)
Return on Corporate cash	6.6	4.6	43	13.3
Total operating profit continuing operations	46.2	35.4	31	63.4
Discontinued operations ¹	(2.0)	(0.3)	-	0.6
Net profit before tax all operations²	44.2	35.1	26	64.0
Taxation – continuing operations	(8.6)	(6.6)	(30)	(11.5)
Taxation – discontinued operations	(0.1)	(4.8)	98	(4.8)
Taxation – total	(8.7)	(11.4)	24	(16.3)
Net profit after tax all operations	35.5	23.7	50	47.7
Effective tax rate – continuing operations	18.6%	18.6%	-	18.2%

¹ FY05 comprises TLUK profit £2.5m and Life Services loss £1.9m. HY05 comprises TLUK profit £1.6m and Life Services loss £1.9m. HY06 comprises TLUK operating profit £0.2m to date of sale, TLUK profit on sale £9.5m and settlement of Pearl Group non-tax warranties (£11.7m).

² Profit before taxation and minority interests.

Henderson Global Investors

Profit and loss

£m	1H06	1H05	2H05	% 1H06 vs 1H05
Management fee income	108.4	95.3	101.0	14
Transaction fee income	12.6	13.0	11.4	(3)
Performance fee income	24.2	16.6	9.9	46
Total fee income	145.2	124.9	122.3	16
Investment income	6.3	4.4	5.5	43
Total income	151.5	129.3	127.8	17
Operating expenses	(103.5)	(89.8)	(99.3)	(15)
Depreciation/amortisation	(1.4)	(1.5)	(3.6)	7
Operating profit before tax	46.6	38.0	24.9	23
Margin on average AUM (bps)				
	1H06	1H05	2H05	
Total fee income	43	37	37	
Management fee income	32	28	30	
Net margin	14	11	7	

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Henderson Global Investors

Costs

- Operating expenses up 15%
 - increased bonus provisioning
 - IT spend on derivatives project
- Lower investment admin & other costs
 - loss of Institutional clients
 - managing discretionary costs
- Cost to income ratio improvement driven by revenue growth
- New 2006 target: 73%
- New 2007 target: 70%
 - profitable revenue growth
 - cost control

£m	1H06	1H05	2H05	% 1H06 vs 1H05
Staff costs	71.3	56.9	62.5	25
Investment admin	9.6	10.3	9.3	(7)
IT	5.4	3.5	3.9	54
Office expenses	7.6	7.5	8.0	1
Other ¹	9.6	11.6	15.6	(17)
Operating expenses	103.5	89.8	99.3	15

¹ Includes marketing, legal & professional, travel & entertainment.

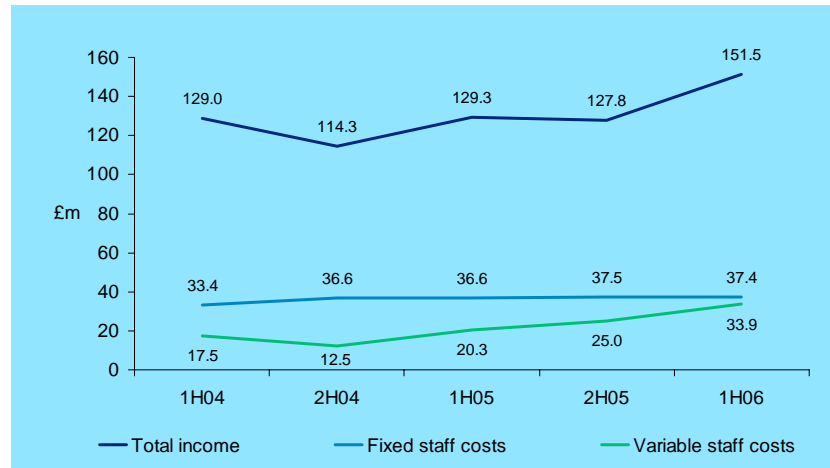
%	1H06	1H05	2H05
Cost to income ratio	69.2	70.6	80.5

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Henderson Global Investors

Increased variable staff costs in line with increased income



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Henderson Group

Financials – net assets by business unit

- Balance sheet remains strong
- Adequate provisions
- Return c£200m surplus capital in Oct
- Further capital return in 2007 of £150m - £200m dependent on
 - prudent level of gearing
 - outcome of CRD

£m	30 Jun 2006	31 Dec 2005
Henderson Global Investors	476	429
Corporate	205	192
Continuing operations	681	621
Discontinued operations	-	26 ¹
Henderson Group	681	647

¹ £26m net assets in TLUK sold 3 May 2006.

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Henderson Group

Financials – allocation of shareholder funds, continuing operations

£m	Actual 31 Dec 2005	Adjustments	Actual 30 Jun 2006
Goodwill	225	-	225
Regulatory capital	95	(15)	80
Working capital	30	-	30
Warranties & indemnities	50	(12)	38
Capital surplus	221	87 ¹	308 ²
	621	60	681

¹ Includes sale of TLUK (£37m) and increase in reserves (£34m).

² Includes cash commitments for: planned return of capital (c£200m); 2006 interim dividend (£10m); additional contribution to pension scheme in 2007 & 2008 (£40m in aggregate); 2H06 seed capital (£40m).

Henderson Group

Financials – cash & cash equivalents

£m	30 Jun 2006	31 Dec 2005	£m	Uses of cash:
Henderson Global Investors	225	181	Regulatory & working capital	80
Corporate	325	306	Provisions	60
Continuing operations	550	487	Retirement benefit obligations	80
Discontinued operations	-	9	Pensions escrow (Life Services disposal)	20
Henderson Group	550	496	Warranties & indemnities	38
			Seed capital commitments	40
			Return of cash + dividend	210 ¹
				528

¹c£200m + £10m.

- Financial highlights

- **Priorities**

- **People & investment performance**
- Fund flows
- Revenue & margins
- Outlook

Henderson Global Investors

Good investment performance in high margin areas

**Asset weighted, at/exceeding benchmark
to 30 Jun 2006**

	1 year	3 years
Equities	72%	73%
Fixed interest	24%	19%
Property	92% ¹	83%

- A good first quarter; unsettled market conditions in second quarter
- Strongest performance in
 - Mutual Funds
 - Absolute Return Funds
 - Property Funds
- Core institutional performance lagging, but team changes viewed positively by consultants
- Awards included
 - IPE Real Estate Magazine: Best Property Investment Manager
 - Lipper Award (US): Best three year performance by a small fund group

¹ Performance to 31/12/05.

Henderson Global Investors

Investment performance to 30 Jun 2006¹

	AUM ² £bn	1 year %	3 years %
Retail v benchmarks			
Investment Trusts	3.2	58	88
Horizon funds	2.9	81	98
Retail OEICs	3.3	67	39
US Mutual Funds	1.2	100	100
Absolute Return Funds	1.5	100	91
Property (UK/Europe)³	5.7	90	81
Property (US)	1.1	100	100
Institutional	12.9	39	21
<i>Enhanced index/passive</i>	5.3	81	100
<i>Fixed interest</i>	4.5	7	12
<i>Balanced/active equity</i>	3.2	15	8

¹ Asset weighted.

² Of funds measured.

³ 1yr to 31/12/05, based on 2005 IPD benchmarks.

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Henderson Global Investors

Performance fee diversity

£m	1H06	1H05	2H05	1H06 No. of funds ¹	1H05 No. of funds ¹
Net performance fees	24.2	16.6	9.9		
Sourced from:	%	%	%		
Absolute Return Funds	44	39	27	10	7
Property	25	23	40	13	9
Horizon funds	17	10	3	7	4
Investment Trusts	10	25	6	2	2
Other ²	4	3	24	11	6
Total	100	100	100		

¹ Number of funds generating performance fees.

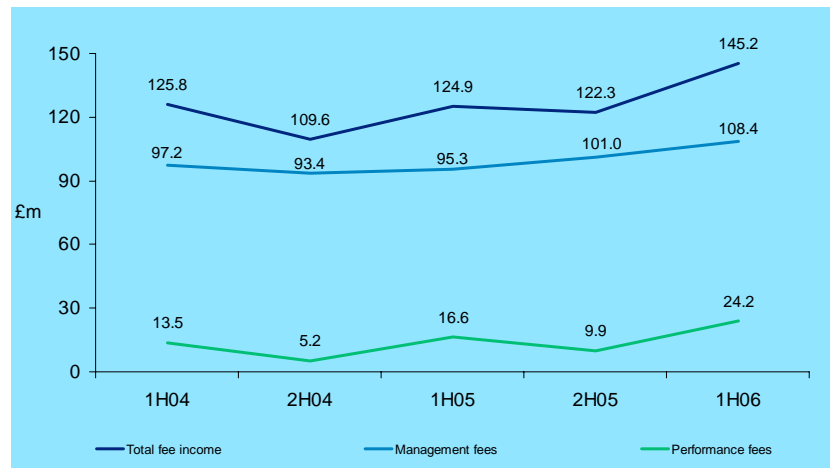
² Includes Institutional clients.

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Henderson Global Investors

Good consistency of management & performance fees



- Financial highlights

- **Priorities**

- People & investment performance

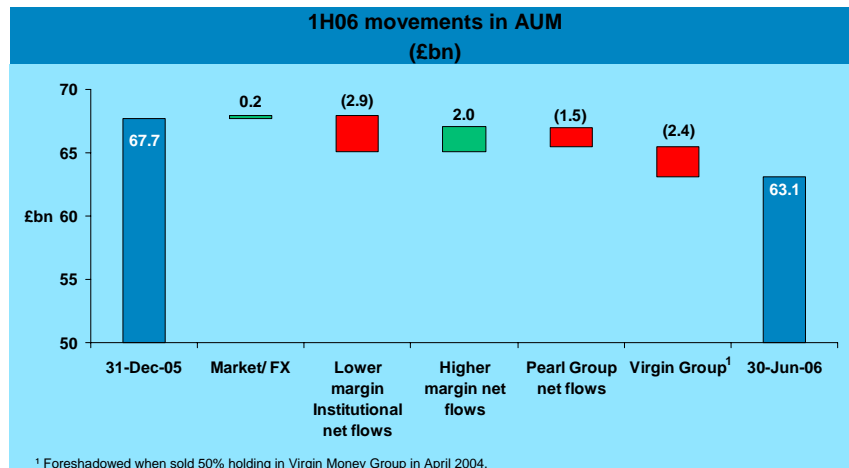
- **Fund flows**

- Revenue & margins

- Outlook

Henderson Global Investors

Assets under management – £2bn high margin net inflows



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Henderson Global Investors

Assets under management

- £2bn inflow into higher margin products, which included:
 - ARFs net sales £0.2bn, assets now US\$3bn
 - Mutual fund net sales £0.8bn
 - Property assets up £0.9bn
- £2.5bn property assets in pipeline
- Outflows in 1H06 included:
 - Pearl, closed life book run-off
 - Virgin Group – one-off
 - Revenue impact not material
- Expectations for fund flows in 2H06:
 - Institutional outflows set to slow
 - Pearl flows harder to predict
 - Continued net inflow into higher margin products

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- Financial highlights

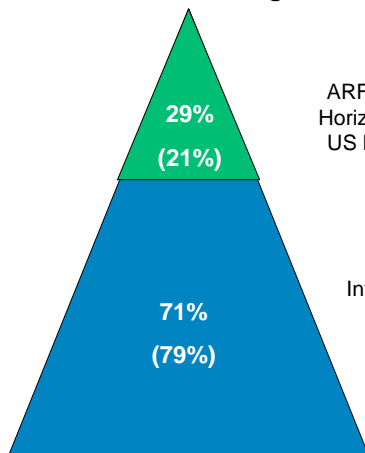
- **Priorities**

- People & investment performance
- Fund flows
- **Revenue & margins**
- Outlook

Henderson Global Investors

Revenue contribution from AUM

Assets under management



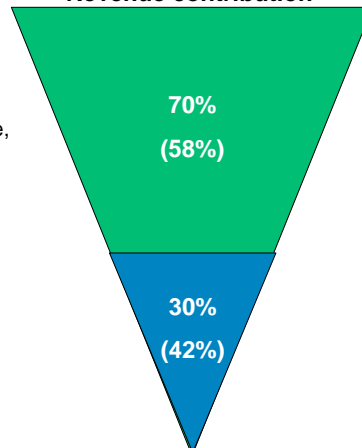
Specialist

ARFs, Private Capital, Horizon, UK Wholesale, US Mutuals, Property, CDOs

Generalist

Investment Trusts
Institutional
Sub-advisory
Pearl Group

Revenue contribution

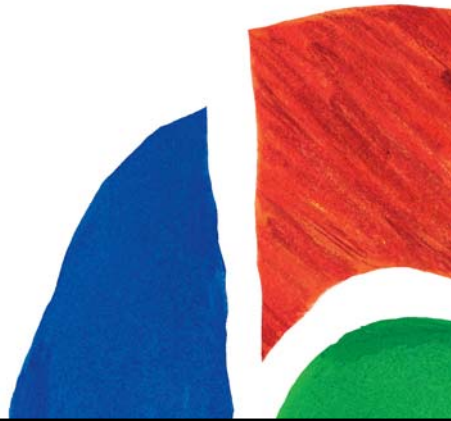


- Financial highlights
- Priorities
 - People & investment performance
 - Fund flows
 - Revenue & margins
- Outlook

Henderson Group

Outlook for 2H06

- Build on good investment performance in Mutual Funds, Property, Absolute Return Funds
- Improve investment performance in core Institutional
- Continue to expand higher margin product areas
 - new ARFs, Horizon, Property funds expected
- Deliver cost to income ratio targets of 73% for 2006; 70% for 2007
- Return c£200m surplus capital & pay interim dividend £10m in October
- Capital & cost planning for 2007



Appendix

- Typical annual management fee margins
- Split of AUM by line of business and asset class
- Geographic source of client
- Relationship with BPI

Henderson Global Investors

Client revenue/margins 1H06

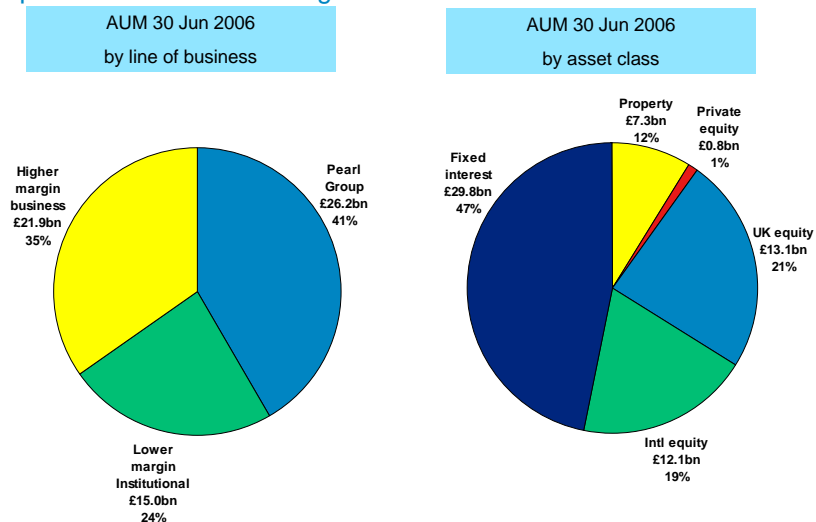
Product	1H06 Typical annual management fee before distribution costs (bps)
Private Capital	150 – 200
Horizon funds ¹	110 – 170
Absolute Return Funds	125 – 200
US mutual funds	85 – 120
UK OEICs	75 – 150
Property	40 – 60
Institutional pension funds ²	10 – 25

¹ Includes service fees paid by the fund (50 bps).

² Includes enhanced index.

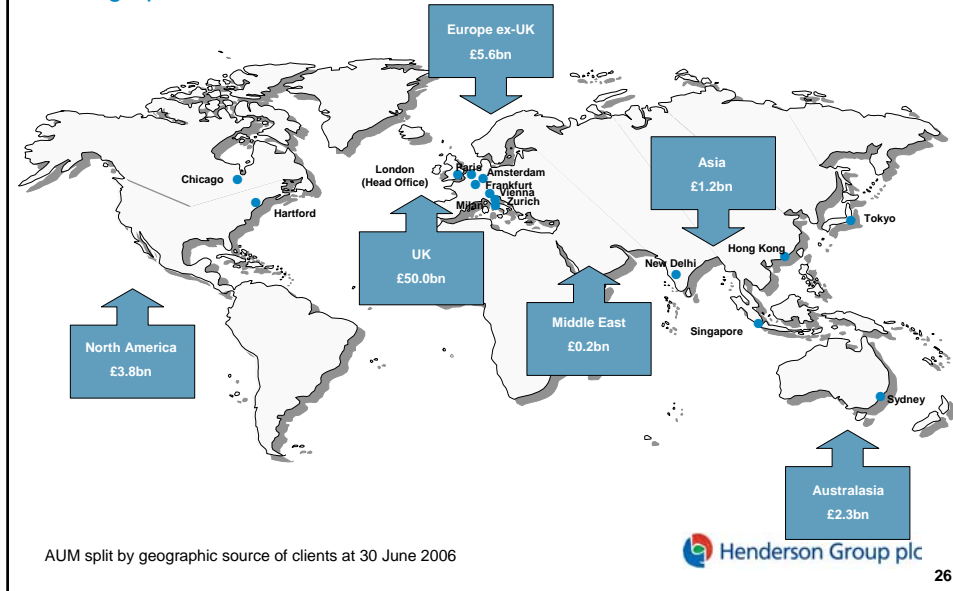
Henderson Global Investors

Split of assets under management



Henderson Global Investors

Geographic source of clients



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Relationship with Banca Popolare Italiana (BPI)

- Agreement includes sub-advisory of co-branded funds & distribution of Horizon through BPI networks
- Total AUM 30 June 2006
 - co-branded £723m
 - Horizon branded £255m
- Value of investment at 30 Jun 2006 £56.8m after part disposal in Feb 2006 (31 Dec 2005: £62.4m)
- Group policy is to hedge at least 70% of the currency exposure
- Capital restructure expected in 2H06

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Disclaimer

These materials issued by Henderson Group plc are a summary of certain information contained in the stock exchange announcements dated 25 August 2006 (relating to the half year results for the six months to 30 June 2006 of the Henderson Group) and should be read in conjunction with the full text of those announcements.

This presentation contains forward-looking statements with respect to the financial condition, results and business of Henderson Group. By their nature, forward-looking statements involve risk and uncertainty because they relate to events, and depend on circumstances, that will occur in the future. Henderson Group's actual future results may differ materially from the results expressed or implied in these forward-looking statements.

