

AGM details

Thursday, 11 May 2006

LondonStarts 9.00am (London time)
UBS Auditorium
1 Finsbury Avenue,
London EC2M 2PP**Sydney**Starts 6.00pm (Sydney time)
Wesley Conference Centre
220 Pitt Street, Sydney
Australia

This booklet contains:

- Information about who may vote at the meeting, and how they may vote, (pages 3 and 4)
- The formal Notice of Annual General Meeting containing the resolutions proposed to be put at the meeting (pages 5 and 6)
- Explanatory Notes which set out an explanation of the business to be conducted at the meeting (pages 7 to 10)
- Maps of the meeting locations (page 11)

Need help?

If you have any questions, you can phone the Shareholder Information Line on:

United Kingdom

0800 073 3916

Australia

1300 137 981

New Zealand

0800 888 017

LETTER FROM THE CHAIRMAN**Dear Shareholder**

I am pleased to invite you to the 2006 Annual General Meeting of Henderson Group plc.

On 11 May 2006, Henderson Group's Annual General Meeting (AGM) will take place in London and, to enable participation by shareholders in Australia, will be simultaneously broadcast to a venue in Sydney.

For maps of the meeting locations, see page 11 of this booklet.

If you are unable to attend the meeting, you can listen to the AGM via our website **www.henderson.com****Shareholders are asked to vote on 11 resolutions**

To help you understand the items of business and the resolutions on which shareholders are being asked to vote, a summary is provided below. You should, in addition, read all the accompanying notes before voting. Unless otherwise specified, the term "shareholder" includes holders of CDIs quoted on the Australian Stock Exchange (ASX).

1 – Receive the 2005 Directors' Report and Accounts

In this pack, or issued to your email address, you will have received an annual report for the year ended 31 December 2005. During the AGM, we will discuss the Company's financial performance and you will have an opportunity to ask questions or comment on the Directors' Report, the accounts and the business, operations and management.

2 – Directors' Remuneration Report

Shareholders have the opportunity to cast an advisory vote on the Directors' Remuneration Report for the year ended 31 December 2005. The report is set out in full from page 24 of both the Summarised Annual Report and the Full Annual Financial Report and Accounts.

3 – Dividend

The Directors have recommended a dividend of 1.39 pence per share for the six months ended 31 December 2005. The Company's Articles of Association require that a final dividend is approved by shareholders before it is paid.

4 and 5 – Reappointment of Existing Directors

Shareholders will be asked to vote on the reappointment of Directors. Two Directors will be retiring in accordance with the Company's Articles of Association and presenting themselves for reappointment.

6 and 7 – Reappointment and Remuneration of the Auditors

Shareholders will be asked to vote on the reappointment of Ernst & Young LLP as Auditors to the Company and to authorise the Directors to determine the remuneration of the Auditors.

8 – Authority to make "political donations"

It is not Henderson Group's policy for it or its subsidiaries to make political donations within the normal meaning of that expression and we do not propose or intend to alter our policy. However, given the breadth of the definition of political donations or expenditure in the Political Parties, Elections and Referendums Act 2000, we believe that the authority contained in this resolution is necessary to ensure that we do not, because of any present uncertainty as to the bodies or the activities covered by the Act, unintentionally commit a technical breach of the Act. Any expenditure which may be incurred under authority of this resolution will be disclosed in next year's annual report.

Letter from the Chairman (continued)

9 – Amendment to the Rules of the Henderson Long Term Incentive Plan

Shareholders will be asked to approve an increase, from 300% to 500% of basic salary, to the annual limit on the value of any award which may be granted to the Chief Executive and to change, from 12 months to a calendar year, the period over which the annual limit is to be applied to all participants.

10 – To approve the USA Sharesave Plan

The Board is seeking to establish a sharesave plan for employees of the Company's United States subsidiaries. Although, in 2004, shareholders previously approved the extension of a sharesave plan globally, specific shareholder approval of the USA Plan is required in order to comply with the United States tax law requirements.

11 – Authority to purchase own shares

Although the Directors do not have any present intention of undertaking a share buy back, shareholders will be asked to authorise the Company to purchase its own shares. The authority will be capped at approximately 10% of the Company's issued share capital and will expire at the 2007 AGM or in 18 months, whichever is the earlier.

Voting procedures

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

- **By attending and voting at the meeting** on Thursday, 11 May 2006. If you are a CDI holder and wish to attend the meeting, please read the voting instructions on page 4; or
- **By appointing someone as your proxy to attend and vote for you at the meeting.** To appoint someone, use either the enclosed Proxy Form/CDI Voting Instruction Form or go to the Henderson Group website at www.henderson.com to appoint someone online. Instructions about how to fill out the form are set out on the back of the Proxy Form/CDI Voting Instruction Form.

There are different voting procedures depending on whether you hold your shares on the London Stock Exchange or if you have CDIs quoted on the ASX. Please read the voting instructions on pages 3 and 4 carefully to ensure you are aware of the arrangements appropriate for you.

Your Proxy Form or CDI Voting Instruction Form (either online or paper) needs to be lodged so that it reaches Henderson Group's Share Registry by the time and date specified on your form.

The Directors consider all of the proposed resolutions to be in the best interests of the Company and shareholders as a whole and recommend that you vote **FOR** all the resolutions at the Annual General Meeting.

Yours sincerely



Rupert Pennant-Rea

Chairman

3 April 2006

VOTING INFORMATION FOR SHAREHOLDERS OTHER THAN CDI HOLDERS

Who may vote at the meeting?

Only those members entered in the register of members of Henderson Group plc at 9.00am (London time) on 9 May 2006 or, if this meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

How may you vote at the meeting?

You may attend the meeting in person or appoint either one or more people as proxies (who need not be a member of Henderson Group plc) to attend and vote on your behalf. If you wish to appoint more than one proxy, please copy the enclosed Proxy Form.

Who can be a proxy?

You may appoint anyone as your proxy, including the Chairman of the meeting. A proxy need not be a shareholder of Henderson Group plc.

What happens if you appoint more than one proxy?

If you appoint more than one proxy, then on each Proxy Form you must specify the number of shares for which each proxy is appointed.

Where do you send your Proxy Form?

You may send your completed Proxy Form:

- **By mail** to the Henderson Group Share Registry, using the enclosed reply-paid envelope or by posting it to: Henderson Group Share Registry, The Pavilions, Bridgwater Road, Bristol BS13 8FB, England;
- **Electronically** by accessing the Henderson Group Share Registry via the Henderson Group website at www.henderson.com. To use this facility, you will need your unique PIN and your Shareholder Reference Number. These numbers are shown on your Proxy Form. You will be taken to have signed the Proxy Form if you lodge it in accordance with the instructions on the website; or
- **By CREST message**. If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST.

What is the due date for appointing your proxy?

To appoint a proxy, you will need to make sure that the Henderson Group Share Registry receives your completed Proxy Form (and any necessary supporting documents) by 9.00am (London time) on 9 May 2006. If your Proxy Form (and any supporting documents) is not received by then, your proxy appointment will not be effective.

What if a proxy is appointed under a power of attorney or other authority?

If the Proxy Form is signed under a power of attorney or other authority on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or other authority, or a certified copy, is sent to Henderson Group's Share Registry so as to arrive no later than 9.00am (London time) on 9 May 2006 unless it has previously been lodged with Henderson Group's Share Registrars.

A Proxy Form cannot be submitted through Henderson Group's website if it is completed under a power of attorney or similar authority.

How does a Shareholder that is a company execute the Proxy Form?

If the Shareholder executing the Proxy Form is a company, then it must execute the Proxy Form in one of the following ways:

- By having two directors or a director and a secretary of the company sign the Proxy Form;
- If the company has one director who is also the secretary of the company (or the company does not have a secretary), by having that director sign it;
- By having a duly authorised officer or attorney sign the Proxy Form (in which case the Shareholder must send with the Proxy Form the original, or a certified copy, of the document authorising the attorney or representative); or
- If the company has a common seal, by affixing the common seal in accordance with the company's constitution.

Does a proxy have to vote?

A proxy may decide whether or not to vote on any motion.

How is a proxy to vote?

If the Shareholder appointing the proxy:

- Directs the proxy how to vote on an item of business, then the proxy may only vote on that item in the way the Shareholder directed; or
- Does not direct the proxy how to vote on an item of business, then the proxy may vote as he or she thinks fit on that item.

Your proxy will also have discretion to vote as they see fit on any other business which may properly come before the meeting including amendments to resolutions, and at any adjourned meeting.

How will the Chairman vote as proxy if the Shareholder has not directed the Chairman how to vote?

If a Shareholder appoints the Chairman of the meeting as proxy and does not direct the Chairman how to vote on an item of business, then when the Chairman votes as proxy for that Shareholder on a poll, he intends to vote in favour of each of the proposed resolutions.

VOTING INFORMATION FOR CDI HOLDERS

Who may vote at the meeting?

Only those CDI holders entered in the register of CDI holders of Henderson Group plc at 6.00pm (Sydney time) on 9 May 2006 or, if this meeting is adjourned, in the register of CDI holders 48 hours before the time of any adjourned meeting, shall be entitled to provide voting instructions to CHESSE Depository Nominees Pty Limited (CDN) in respect of the number of CDIs registered in their name at that time. Changes to entries in the register of CDI holders after that time shall be disregarded in determining the rights of any CDI holders to provide voting instructions to CDN in regard to this meeting.

How may you exercise your voting rights?

By completing and submitting the Voting Instruction Form, you may either:

- Direct CDN how to vote on resolutions in respect of your CDIs; or
- If you wish to attend the meeting (or want someone to attend on your behalf), instruct CDN to appoint you or your representative as proxy to vote in respect of your CDIs.

Who can be a proxy?

You may instruct CDN to appoint yourself or any other person (including the Chairman) as its proxy in respect of your CDIs. A proxy need not be a shareholder of Henderson Group plc.

Where do you send your Voting Instruction Form?

You may send your completed Voting Instruction Form:

- **By mail** to the Henderson Group Share Registry, using the enclosed reply-paid envelope or by posting it to: Australia: GPO Box 4578, Melbourne, VIC 8060; or New Zealand: Private Bag 92119, Auckland 1020.
- **By facsimile:** Australia: 03 9473 2118; or New Zealand: 09 488 8787.
- **Electronically** by accessing the Henderson Group Share Registry via the Henderson Group website at www.henderson.com. To use this facility, you will need your Security Holder Reference Number which is shown on your Voting Instruction Form. You will be taken to have signed the Voting Instruction Form if you lodge it in accordance with the instructions on the website.

What is the due date for instructing CDN to vote on your behalf?

To instruct CDN to vote on your behalf, you will need to make sure that the Henderson Group Share Registry receives your completed Voting Instruction Form (and any necessary supporting documents) by 6.00pm (Sydney time) on Friday, 5 May 2006. If your Voting Instruction Form (and any supporting documents) is not received by then, your voting instruction will not be effective.

What is the due date for instructing CDN to appoint a proxy on your behalf?

To instruct CDN to appoint a proxy, you will need to make sure that the Henderson Group Share Registry receives your completed Voting Instruction Form (and any necessary supporting documents) by 6.00pm (Sydney time) on Tuesday, 9 May 2006. If your Voting Instruction Form (and any supporting documents) is not received by then, your proxy appointment will not be effective.

What if a Voting Instruction Form is completed under a power of attorney or other authority?

If the Voting Instruction Form is signed under a power of attorney or other authority on behalf of a CDI holder, then the attorney must make sure that either the original power of attorney or other authority, or a certified copy, is sent to Henderson Group's Share Registry so as to arrive by the date specified on the form unless it has previously been lodged with Henderson Group's Share Registrars.

A Voting Instruction Form cannot be submitted through Henderson Group's website if it is completed under a power of attorney or similar authority.

How does a CDI holder that is a company execute the Voting Instruction Form?

If the CDI holder executing the Voting Instruction Form is a company, then it must execute the Voting Instruction Form in one of the following ways:

- By having two directors or a director and a secretary of the company sign the Voting Instruction Form;
- If the company has one director who is also the secretary of the company (or the company does not have a secretary), by having that director sign it;
- By having a duly authorised officer or attorney sign the Voting Instruction Form (in which case the CDI holder must send with the Voting Instruction Form the original, or a certified copy, of the document authorising the attorney or representative); or
- If the company has a common seal, by affixing the common seal in accordance with the company's constitution.

Does a proxy have to vote?

A proxy may decide whether or not to vote on any motion.

How is a proxy to vote?

If the Voting Instruction Form:

- Directs the proxy how to vote on an item of business, then the proxy may only vote on that item in the way the CDI holder directed; or
- Does not direct the proxy how to vote on an item of business, then the proxy may vote as he or she thinks fit on that item.

The proxy will also have discretion to vote as they see fit on any other business which may properly come before the meeting including amendments to resolutions, and at any adjourned meeting.

How will the Chairman vote as proxy if he has not been directed how to vote?

If a CDI holder instructs CDN to appoint the Chairman of the meeting as proxy and does not direct the Chairman how to vote on an item of business, then when the Chairman votes as proxy on a poll, he intends to vote in favour of each of the proposed resolutions.

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders of Henderson Group plc (the Company) will be held at the UBS Auditorium, 1 Finsbury Avenue, London, EC2M 2PP, at 9.00am (London time) on Thursday, 11 May 2006 and simultaneously broadcast to the Wesley Conference Centre, 220 Pitt Street, Sydney, as a satellite meeting, at 6.00pm (Sydney time) Thursday, 11 May 2006.

Items of business

Resolutions 1 to 10 set out below will be proposed as ordinary resolutions. An ordinary resolution will be passed if more than 50% of the votes cast are in favour. Resolution 11 will be proposed as a special resolution and will be passed if more than 75% of the votes cast are in favour.

Resolution 1: Directors' Report and Accounts

To receive the accounts of Henderson Group plc for the year ended 31 December 2005 and the reports of the Directors and auditors thereon.

Resolution 2: Directors' Remuneration Report

To approve the Directors' Remuneration Report for the year ended 31 December 2005.

Resolution 3: Dividend

To declare a dividend for the six months ended 31 December 2005 of 1.39 pence per ordinary share of 10 pence each of the Company, as recommended by the Directors.

Resolutions 4 & 5: Reappointment of Existing Directors

4. To reappoint Mr N T Hiscock as a Director of the Company.
5. To reappoint Mr R P Yates as a Director of the Company.

Resolution 6: Reappointment of Auditors

To reappoint Ernst & Young LLP as Auditors to the Company until the conclusion of the next general meeting at which accounts are laid.

Resolution 7: Remuneration of the Auditors

To authorise the Directors to agree the remuneration of the Auditors.

Resolution 8: Authority to make "political donations"

To authorise Henderson Group plc to make donations to European Union (EU) political organisations not exceeding £30,000 in total and to incur EU political expenditure not exceeding £30,000 in total, during the period beginning with the date of the 2006 Annual General Meeting and ending on the date of the 2007 Annual General Meeting. For the purposes of this Resolution, "donations", "EU political organisations" and "EU political expenditure" have the meanings given to them in Part XA of the Companies Act 1985.

Resolution 9: Amendment to the Rules of the Henderson Long Term Incentive Plan

That the Rules of the Henderson Group plc Long Term Incentive Plan be amended to increase, from 300% to 500% of basic salary, the annual limit on the value of any award which may be granted under this Plan to an eligible employee who is the Chief Executive of the Company and to change, from 12 months to a calendar year, the period over which the annual limit is to be applied in the case of all participants.

Resolution 10: To approve the USA Sharesave Plan

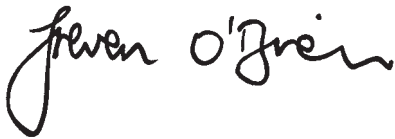
That in accordance with the general authority previously granted to the Directors pursuant to a resolution of the shareholders at the Company's 2004 Annual General Meeting, the rules of the Henderson USA Sharesave Plan ("the USA Plan"), the main terms of which are described in the Explanatory notes attached to the Notice convening this meeting and a copy of which is signed by the Chairman for the purpose of identification, be approved and the Directors be authorised to do any acts and things that they may consider necessary or expedient to carry the USA Plan into effect, including making such modifications as the Directors consider appropriate to take account of applicable law and best practice.

Resolution 11: Authority to purchase own shares

To consider the following resolution as a special resolution:
That the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of its ordinary shares of 10 pence each, subject to the following conditions:

- (a) The maximum number of ordinary shares authorised to be purchased is 115,000,000;
- (b) The minimum price (exclusive of expenses) which may be paid for an ordinary share is 10 pence (being the nominal value of an ordinary share);
- (c) The maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of (i) an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading system (SETS);
- (d) This authority shall expire at the close of the Annual General Meeting of the Company held in 2007 or 18 months from the date of this resolution (whichever is earlier); and
- (e) A contract to purchase shares under this authority may be made before this authority expires, and concluded in whole or in part after this authority expires.

By Order of the Board



Steven O'Brien
Company Secretary
3 April 2006

Henderson Group plc
Registered office: 4 Broadgate, London, EC2M 2DA
Registered in England no. 2072534

Notes:

Determination of entitlement to attend and vote at the meeting

The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members entered in the register of members of Henderson Group plc at 6.00pm (London time) Tuesday, 9 May 2006 or, if this meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting. CDI holders should read the voting instructions on page 4 and shareholders should read the voting instructions on page 3.

Documents available for inspection

The following documents are available for inspection during normal business hours at 4 Broadgate, London, EC2M 2DA from 3 April 2006 until the conclusion of the AGM, and will also be available for inspection at the AGM venue prior to and during the AGM itself:

- i. The register of Directors' interests, together with copies of the Directors' service contracts or letters of appointment with the Company;
- ii. The biographies of Directors seeking reappointment;
- iii. The draft amended Rules of the Henderson Long Term Incentive Plan; and
- iv. The draft Rules of the Henderson USA Sharesave Plan.

Proxies

All shareholders entitled to attend and vote are entitled to appoint a proxy or proxies to attend, speak and vote in their place. A proxy need not be a shareholder of Henderson Group plc. Please see pages 3 and 4 for further details.

Important Information

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

EXPLANATORY NOTES

The information below is an explanation of the business to be considered at the 2006 Annual General Meeting.

Resolution 1: Directors' Report and Accounts

The Directors are required to present the following reports in respect of the financial year ended 31 December 2005 to the meeting:

- The Annual Financial Report and Accounts (which includes the financial statements); and
- The Directors' Report and the Auditors' Report.

Shareholders will be given an opportunity at the meeting to ask questions and make comments on these reports and accounts and on the business, operations and management. At the end of the discussion, Shareholders will be invited to vote to receive the reports and the accounts.

Resolution 2: Directors' Remuneration Report

The Summarised Annual Report and the Full Annual Financial Report and Accounts for the year ended 31 December 2005 contain a Directors' Remuneration Report, which sets out the remuneration policy for the Group and reports on the remuneration arrangements in place for Executive Directors, senior management and Non-Executive Directors.

Legislation requires the Directors to lay the Remuneration Report before shareholders for approval at each Annual General Meeting. The Board will take the outcome of the vote into consideration when reviewing and setting the Group's remuneration policy.

Resolution 3: Dividend

This resolution seeks authority for the Company to pay a dividend to shareholders for the six months ended 31 December 2005, as recommended by the Directors. This is the first dividend the Company will be paying since its listing.

Resolutions 4 & 5: Reappointment of Existing Directors

In accordance with our Articles of Association, two Directors (Toby Hiscock and Roger Yates) will retire from office. Both Directors are offering themselves for reappointment to the Board.

Biographies of the Directors, setting out their qualifications and experience are set out below.

Toby Hiscock

BA (Hons) (Oxon), MA (Oxon), FCA, age 46 – Chief Financial Officer. Executive Director since August 2003.

Experience:

Chief Financial Officer since May 2003. Mr Hiscock is also Director of Finance and Strategy for Henderson Global Investors and was Director of Finance for Henderson Investors from July 1998, having held senior internal audit and finance roles since joining the Company in 1992. He is a qualified chartered accountant with 25 years' experience in the accounting profession. Prior to joining Henderson Investors, Mr Hiscock was Senior Audit Manager at Midland Bank, London, for three years. From 1981 to 1988, he worked for Binder Hamlyn, Chartered Accountants, in London.

Roger Yates

BA (Hons) (Oxon), age 48 – Chief Executive. Executive Director since June 2003 and Managing Director of Henderson Global Investors since 1999.

Experience:

Joined AMP Limited (AMP) in October 1999 to lead the integration of Henderson Investors and AMP Asset Management Australia to form Henderson Global Investors. Mr Yates has 24 years' experience in the fund management industry as an investment professional and business manager. Previously, he was Chief Investment Officer of Invesco Global and held senior roles for fund management companies LGT and Morgan Grenfell. He was an Executive Director of AMP from December 2002 until the demerger of AMP's UK and Australian operations in December 2003. Mr Yates is also a Non-Executive and Senior Independent Director of IG Group Holdings plc.

Resolution 6: Reappointment of Auditors

The Companies Act in the United Kingdom requires shareholders to approve the appointment of a company's auditors each year and the appointment runs until the conclusion of the next general meeting at which accounts are laid.

Resolution 7: Remuneration of the Auditors

This resolution gives authority to the Directors to agree the Auditors' remuneration.

A summary of the Auditors' remuneration during 2005 is included in note 5.3 on page 54 of the Full Annual Financial Report and Accounts and on page 49 of the Summarised Annual Report.

Resolution 8: Authority to make "political donations"

It is not Henderson Group's policy for it or its subsidiaries to make political donations within the normal meaning of that expression.

However, the Political Parties, Elections and Referendums Act 2000 ("the Act"), which came into effect in 2001, introduced a definition of what is meant by donations to political parties and, generally, political expenditure. It also contains rules on the disclosure of such donations and expenditure, and specifically requires companies to obtain Shareholders' authorisation before making donations to, or incurring political expenditure in relation to, political organisations in the European Union ("EU") above a certain level.

As a result, it may be that some of the Group's activities may fall within the wide definitions introduced by the Act and, without the necessary authorisation, the Group's ability to communicate its views effectively to political audiences and to relevant interest groups could be inhibited. Such activities may include briefings at receptions or conferences – when the company seeks to communicate its views on issues vital to its business interests – including, for example, conferences of a trade union or party political nature or of special interest groups in financial services.

Explanatory notes (continued)

It is not proposed or intended to alter our policy (as noted above) of not making political donations within the normal meaning of that expression. However, given the breadth of the Act, we believe that the authority contained in this resolution is necessary to allow the funding of activities which we feel are in the interests of Shareholders. Such authority will enable the Group to be sure that it does not, because of any present uncertainty as to the bodies or the activities covered by the Act, unintentionally commit a technical breach of the Act. Any expenditure which may be incurred under authority of this resolution will be disclosed in next year's annual report.

Resolution 9: Amendment to the Rules of the Henderson Long Term Incentive Plan

The Company introduced the Long Term Incentive Plan ("LTIP") in 2003. Details of the LTIP were included in the Listing Particulars issued on 27 November 2003. The LTIP enables awards to be made to selected employees entitling them to a number of shares which will vest dependent upon the extent to which the Company achieves total shareholder return performance targets over a three year performance period. The maximum number of shares that may be awarded to an employee in any 12 month period is limited so that the market value of those shares as at the date of grant must not exceed 300% of basic salary. The Company proposes to change the 12 month period to a calendar year to better reflect the policy of making annual grants. The 12 month period can result in the limit artificially constraining grants if the timetable for grants (which is generally linked to the announcement of results) changes significantly in any year.

The Company also proposes to increase the cap from 300% to 500% as it applies to awards granted to the Chief Executive. This change is proposed as a direct result, as stated in the Report on Directors' Remuneration 2005, of a review of the Chief Executive's basic salary by the Remuneration Committee. The Committee wishes to maintain the absolute value of the LTIP awards that can be made to the Chief Executive. To achieve this, the percentage of salary cap on LTIP awards must be increased.

The Company proposes that the cap will not be increased in the case of other employees. If shareholders approve the increase in the percentage cap, the Remuneration Committee proposes to grant an LTIP award to the Chief Executive after the AGM.

Resolution 10: To approve the Henderson USA Sharesave Plan

The Board is seeking approval from shareholders for the establishment of a sharesave plan for employees of the Company's United States subsidiaries. This plan will be known as the Henderson USA Sharesave Plan ("the USA Plan").

Although shareholders previously approved the extension of a sharesave plan globally in 2004, specific shareholder approval of the USA Plan is required in order to comply with the United States tax law requirements.

General

Under the USA Plan, employees of the Company's United States subsidiaries may, from time to time, at the discretion of the Board, be granted options to acquire ordinary shares in the Company. The exercise price of such options may not be less than 85% of the fair market value of an ordinary share on the option grant date. The option will normally become exercisable on one or more dates determined by the 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 USA Plan 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 Board. Options will not confer any shareholder rights until the options have been exercised and the employees have received their shares. The Remuneration Committee or the Board will supervise the operation of the USA Plan.

Term of the USA Plan; Authorised Shares

The USA Plan has an eight year term and is scheduled to end in the same year the Henderson Group plc Sharesave Scheme ends. Five million ordinary shares in the Company may be placed under option during that period. If any option granted under the USA Plan shall for any reason terminate without having been exercised, the shares not purchased under such option shall again become available for issue under the USA Plan.

In any event, no option may be granted under the USA Plan if the grant would result in the number of shares that have been or may be issued pursuant to options granted in any ten year period under the USA Plan, the Henderson Group plc Sharesave Scheme and any other employee share plan of the Company, exceeding 10% of the Company's issued ordinary share capital from time to time.

Eligible Employees

All employees of Henderson Global Investors (North America) Inc. and any other United States subsidiary of the Company designated by the Board (each, a "Participating Company"), may be invited to participate in the USA Plan. As a condition to participation in the USA Plan, the Board may require an employee to have been in the continuous employment of a Participating Company for a period of up to two years. Employees who own shares possessing five per cent or more of the total combined voting power of the Company are not eligible. When the USA Plan is operated, all eligible employees must be invited to participate and the rights and privileges of all eligible employees must generally be the same.

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 is \$25,000. Once an amount is elected, it will automatically be deducted from the employee's regular payroll in equal installments over the contribution period. Only after-tax money may be contributed to the USA Plan. Any interest that accrues on the employee's contribution will be distributed to the employee on an annual basis.

Contribution Period

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

Exercise Price

The exercise price of an option may not be less than 85% of the fair market value of an ordinary share of the Company on the date the option is granted.

Exercise of Options

On the exercise date or dates established by the Board, if the fair market value of an 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 ordinary shares delivered to the employee. However if, on the exercise date or dates, the fair market value of an ordinary share is less than the per share 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.

Treatment of Options Upon Termination of Employment

An employee who voluntarily resigns during the contribution period will no longer be eligible to participate in the USA Plan and such employee's contribution will be returned with any accrued but unpaid interest.

An employee who terminates employment because of a good leaver event (e.g., death, disability, 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 USA Plan prior to the termination date for a period of three months after termination of employment.

Exchange Rate

Any UK pound sterling/US dollar currency conversions that may be necessary under the USA Plan will be determined by the Remuneration Committee.

Rights Attaching to Shares

Any shares allotted when an option is exercised will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

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 the Company. 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.

Variation of Share Capital

In the event of any variation of the share capital of the Company or in the event of a demerger, payment of a special dividend or similar event, the Remuneration Committee may make such adjustment as it considers appropriate to the number of shares subject to an option and the exercise price of an option.

Alterations to the USA Plan

The Remuneration Committee may, at any time, amend the provisions of the USA Plan in any respect, provided that prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the definition of Participating Company, the overall limits on the issue of shares or the transfer of treasury shares, and the rights attaching to the shares to be acquired. The requirement to obtain the prior approval of shareholders will not, however, apply to any minor amendment made to benefit the administration of the USA Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any Participating Company or the Company.

Resolution 11: Authority to purchase own shares

The Directors consider that it may be advantageous for the Company to buy back its own shares in certain circumstances. Resolution 11, which will be proposed as a special resolution, seeks shareholders' approval of the purchase by the Company of a maximum of 115,000,000 shares which represents just under 10% of the Company's issued share capital.

The authority sought by this resolution will expire at the end of the next Annual General Meeting or 11 November 2007, whichever is earlier.

The Directors do not have any present intention of undertaking a share buy back, but will keep the matter under review, taking into account the Company's financial position, share price and other investment opportunities. The Directors would use this authority only if they believe at the time that such purchase would result in an increase in earnings per share and be in the best interests of shareholders generally.

Any purchases of ordinary shares would be by means of market purchases. The resolution sets the maximum and minimum prices for any such purchases.

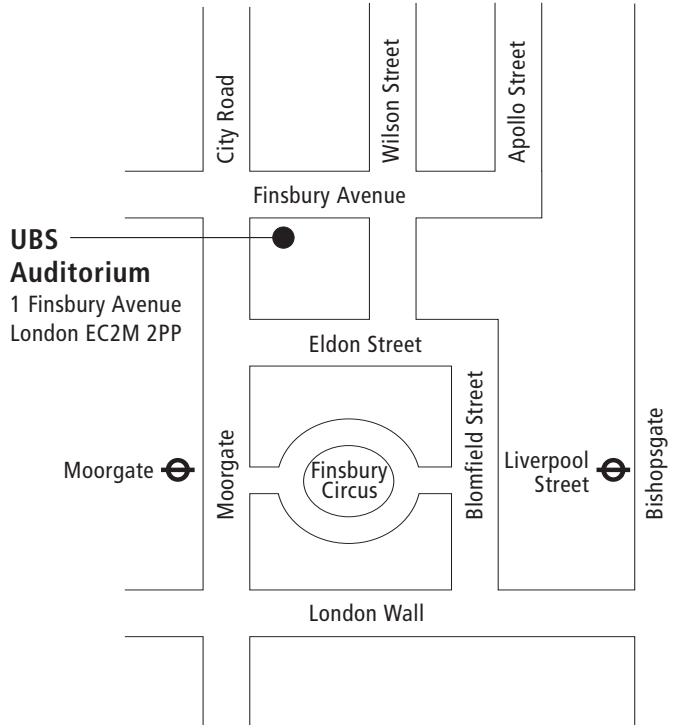
Shares purchased under this authority may be held as Treasury Shares. The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 allow the Company to purchase and hold in treasury up to a maximum of 10% of the issued capital rather than cancelling those shares. Treasury Shares do not carry voting rights and have no entitlement to dividends. Treasury Shares may be cancelled, sold for cash or used to meet the Company's obligations under its employee share schemes. If Treasury Shares are used in the Company's employee share schemes then, so long as this is required under institutional guidance, the Company will treat them as if they were an issue of new shares for the purpose of meeting the anti-dilution limits applicable to such schemes.

Any shares purchased but not held as Treasury Shares would be cancelled.

As at 8 March 2006, there were 5,627,897 options over unissued ordinary shares in the Company outstanding under the Company's share schemes which represents 0.49% of the Company's issued capital. If the Company was to purchase the maximum number of shares permitted under this resolution, these options would then represent 0.54% of the Company's issued share capital.

MEETING LOCATIONS

More information on how to find the meeting locations and transport links is available online – visit www.henderson.com



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