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INTECH'S RESEARCH SHOWS HIGHER TRACKING ERROR DOES NOT NECESSARILY LEAD TO MORE ALPHA

West Palm Beach, Florida. – According to research published by INTECH Investment Management (INTECH), pension plans can reduce the risk associated with emerging markets equity by as much as 35% when compared to the capitalization-weighted benchmark. In discussing the one-year anniversary of the launch of INTECH's emerging markets managed volatility equity strategy, Adrian Banner, Ph.D., the firm's chief executive officer and chief investment officer said, "Previously, managed volatility strategies were available only for developed markets such as the U.S. and developed Europe. Now emerging markets managed volatility equity strategies offer institutional investors the potential for much-needed alpha, with less risk than the cap-weighted benchmark."

Including a managed volatility strategy as part of a plan's global equity allocation can help to lessen relative risk, while targeting some level of excess return above the capitalization-weighted benchmark. Managed volatility strategies are markedly different from the cap-weighted benchmark in that they have a dual objective of lowering volatility *and* capital loss, especially during times of market stress. "Over an entire market cycle, our research shows that it's possible to reduce risk by up to 35% from an emerging markets managed volatility equity strategy when compared to the MSCI Emerging Markets Index. This risk mitigation enables investors to increase their allocation to emerging markets with the goal of generating higher returns at the portfolio level, without taking on additional risk at the plan level," said Banner.

John F. Brown, executive vice president and head of global client development at INTECH said "To help meet their future funding obligations, we're seeing plans increase their allocation to emerging markets equity in hopes of realizing returns greater than those from the developed world. Emerging markets managed volatility equity strategies can offer the potential to do so without being exposed to the higher levels of volatility typically seen in the world's developing economies." This is important given the risks of investing in emerging markets, which according to Brown should not be ignored. "Risks such as significant stock-price volatility, illiquidity and currency volatility all impact returns. With risk allocations now taking center stage for many plans, INTECH's Emerging Markets Managed Volatility strategy makes it possible to capture the return premium potential of emerging markets equity, capture alpha from the inefficiency of the market and at the same time meaningfully lower the risk associated with emerging markets, Brown noted."

INTECH believes an emerging markets managed volatility strategy provides three key benefits for institutional investors:

1. Serves as an anchor and a complement to fundamental stock-picking strategies in a multimanager structure;
2. Lowers overall portfolio risk by counterbalancing the extra risk taken on by traditional active managers in a global equity structure; and
3. Brings emerging markets equity risk closer to the risk levels of non-U.S. developed markets equities, with the potential for higher returns.

Brown concluded by noting that “Managed volatility strategies provide a straightforward and highly effective way to mitigate risk at the plan level while providing the opportunity to generate alpha. INTECH believes that above all else, investors do not need to sacrifice the growth potential associated with emerging markets equity in exchange for risk reduction. In the current environment, where risks abound and returns are hard to come by, emerging markets managed volatility equity strategies may help plan sponsors meet their future funding obligations.”

About INTECH

For more than 25 years, global investment manager INTECH has been offering institutional investors highly disciplined, mathematical equity strategies that seek long-term returns in excess of the target benchmark, while attempting to reduce the risk of significant underperformance relative to that benchmark. Since 1987, INTECH has been generating alpha by taking advantage of stock-price volatility while limiting relative risk and trading costs. The company’s global headquarters is located in West Palm Beach, Florida, with its research office in Princeton, New Jersey, and an international division in London. As of June 30, 2014, INTECH had approximately $49.7 billion under management and 84 employees worldwide. INTECH was named a “Best Places to Work in Money Management” company by *Pensions & Investments*. INTECH is an independently managed subsidiary of Janus Capital Group Inc. (NYSE: JNS), based in Denver.

About Janus Capital Group Inc.

Janus Capital Group (JCG) is a global investment firm offering strategies from three individual investment boutiques: Janus Capital Management LLC (“Janus”), INTECH Investment Management LLC (“INTECH”) and Perkins Investment Management LLC (“Perkins”). Each manager employs a research-intensive approach that is distinct within its respective asset class. This multi-boutique approach enables the firm to provide style-specific expertise across an array of strategies, including growth, value and mathematical equities, fixed income and alternatives through one common distribution platform. At the end of June 2014, JCG managed $174.1 billion in assets for shareholders, clients and institutions around the globe. Based in Denver, Colorado, JCG also has offices in Frankfurt, The Hague, Paris, London, Milan, Munich, Zurich, Singapore, Hong Kong, Tokyo, Melbourne, Dubai and Taipei.