

CENTENE CORP
Form 424B3
September 21, 2015
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Registration No. 333-206463

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TRANSACTION PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Stockholders:

Each of the boards of directors of Centene Corporation and Health Net, Inc. has unanimously approved a merger, combining Centene and Health Net and bringing together two complementary managed care organizations with a history of operating excellence to create a stronger, larger and more geographically diverse organization that will be well positioned to create greater value for all of our stockholders.

Centene and Health Net entered into an agreement and plan of merger on July 2, 2015. Subject to stockholder approvals and the satisfaction (or waiver to the extent legally permissible) of certain other closing conditions, Centene and Health Net will combine their businesses through the merger of Health Net with a newly formed, direct wholly owned subsidiary of Centene, with Health Net thereupon becoming a direct wholly owned subsidiary of Centene as the surviving corporation, in a transaction which is referred to as the merger. In addition, as more fully described herein, immediately following the completion of the merger and contingent upon Health Net's receipt before the effective time of the merger of an opinion from Morgan, Lewis & Bockius LLP, its outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of Internal Revenue Code of 1986, as amended, which is referred to as the Code, Health Net, as the surviving corporation in the merger, will merge with and into another direct wholly owned Centene subsidiary, with the latter subsidiary surviving, in a transaction which is referred to as the subsequent merger. The merger and the subsequent merger are referred to collectively as the mergers or the transaction in this joint proxy statement/prospectus.

If the merger is completed, Health Net stockholders (other than (i) Centene, Health Net, Chopin Merger Sub I, Inc., a direct wholly owned subsidiary of Centene, which is referred to as Merger Sub I, and Chopin Merger Sub II, Inc., a direct wholly owned subsidiary of Centene, which is referred to as Merger Sub II, (ii) holders of Health Net stock options, restricted stock units or performance share awards (with respect to such underlying shares only) and (iii) any stockholders holding shares of Health Net common stock with respect to which appraisal rights are properly demanded and not withdrawn under the General Corporation Law of the State of Delaware) will receive \$28.25 in cash and 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock for each share of Health Net common stock, which ratio is referred to as the exchange ratio, and which cash and stock consideration combined are referred to as the merger consideration. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. No fractional shares of Centene common stock will be issued in the merger. Instead of receiving any fractional shares, each holder of Health Net common stock will be paid an amount in cash, without interest, rounded down to the nearest cent, equal to the product of (x) the amount of the fractional share interest in a share of Centene common stock to which such holder would otherwise be entitled (rounded to three decimal places) and (y) an amount equal to the volume weighted average price per share of Centene common stock on the New York Stock Exchange, which is referred to as the NYSE, on each of the ten consecutive trading days ending with the third complete trading day immediately prior to the closing date, weighted by the total

volume of trading in Centene common stock on each such trading day. Centene stockholders will continue to own their existing shares of common stock of Centene, the form of which will not be changed by the transaction.

Upon completion of the merger, former Health Net stockholders will own approximately 29% of the then outstanding Centene common stock, based on the number of shares and stock-based awards of Centene and Health Net outstanding as of September 17, 2015. The value of the merger consideration to be received in exchange for each share of Health Net common stock will fluctuate with the market value of Centene common stock until the merger is completed.

The merger and the subsequent merger, if both are consummated, are intended to constitute a single integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. If the subsequent merger is consummated, in general no gain or loss will be recognized by U.S. holders of Health Net common stock upon the exchange of Health Net common stock for Centene common stock except that U.S. holders will recognize gain (but not loss) to the extent such U.S. holders receive cash (including the cash portion

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of the merger consideration and any cash received in lieu of a fractional share). If the subsequent merger is not consummated, U.S. holders of Health Net common stock would recognize gain or loss equal to the difference, if any, between (i) the sum of the fair market value of the Centene common stock received in the merger and any cash received and (ii) such U.S. holder's adjusted tax basis in the Health Net common stock surrendered in exchange therefor. You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the mergers to you. You will not know at the time of your respective vote whether the subsequent merger will take place, and therefore you will not know the precise tax treatment of the merger or mergers when you vote.

Based on Centene's closing stock price on September 18, 2015, the most recent practicable date for which such information was available, the merger consideration represented approximately \$67.03 in value per share of Health Net common stock, which represents a premium of approximately 3.0% over Health Net's closing stock price on July 1, 2015, the last trading day before the public announcement of the transaction described herein. The value of the merger consideration to be received in exchange for each share of Health Net common stock will fluctuate with the market value of Centene common stock until the merger is complete. The common stock of each of Centene and Health Net is listed on the New York Stock Exchange under the symbol **CNC** and **HNT**, respectively. We urge you to obtain current market quotations for the shares of common stock of Centene and Health Net.

Each of Health Net and Centene is holding a special meeting of its stockholders to vote on the proposals necessary to complete the merger. Information about these meetings, the mergers, the share issuance, and the other business to be considered by stockholders at each of the special meetings is contained in this joint proxy statement/prospectus. Any stockholder entitled to attend and vote at the Health Net or Centene special meeting is entitled to appoint a proxy to attend and vote on such stockholder's behalf. Such proxy need not be a holder of Health Net or Centene common stock. We urge you to read this joint proxy statement/prospectus and the annexes and documents incorporated by reference carefully. **You should also carefully consider the risks that are described in the Risk Factors section beginning on page 44.**

Your vote is very important regardless of the number of shares of Centene common stock or Health Net common stock that you own. The merger cannot be completed without approval of (i) the Share Issuance proposal (as defined below) by the affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting that are entitled to vote on the proposal and (ii) the Merger proposal (as defined below) by the affirmative vote of holders of a majority of the shares of Health Net common stock outstanding and entitled to vote on the record date.

Whether or not you plan to attend your company's special meeting of stockholders, please submit your proxy as soon as possible to make sure that your shares are represented at that meeting.

The Centene board of directors unanimously recommends that Centene stockholders vote **FOR the proposal to approve the issuance of Centene common stock in the merger, which is necessary to complete the merger.**

The Health Net board of directors unanimously recommends that Health Net stockholders vote **FOR the proposal to adopt the merger agreement, which is necessary to complete the merger.**

Michael F. Neidorff
Chairman, President and Chief

Jay M. Gellert
President and

Executive Officer
Centene

Chief Executive Officer
Health Net

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger, the subsequent merger or the other transactions described in this joint proxy statement/prospectus or the securities to be issued in connection with the merger or determined if this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated September 21, 2015, and is first being mailed to stockholders of Centene and Health Net on or about September 22, 2015.

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NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON, OCTOBER 23, 2015

To the Stockholders of Centene:

A special meeting of stockholders of Centene Corporation will be held at Centene Plaza, 7700 Forsyth Boulevard, St. Louis, Missouri 63105, on October 23, 2015 at 12:00 p.m., Central Time, for the following purposes:

1. To approve the issuance of Centene common stock, par value \$0.001 per share, pursuant to the Agreement and Plan of Merger, dated as of July 2, 2015, by and among Centene, Chopin Merger Sub I, Inc., Chopin Merger Sub II, Inc. and Health Net, Inc., as the same may be amended from time to time, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice (the Share Issuance proposal).
2. To approve any proposal to adjourn the Centene special meeting from time to time, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Share Issuance proposal (the Centene Adjournment proposal).
3. To approve an amendment to Centene's certificate of incorporation, as amended, to increase the number of authorized shares of Centene common stock from 200 million to 400 million, the full text of which is attached as Annex H to the joint proxy statement/prospectus accompanying this notice (the Charter Amendment proposal).

Approval of the Share Issuance proposal is required to complete the merger. Approval of the Charter Amendment proposal is not required to complete the merger.

Centene will transact no other business at the special meeting, except for business properly brought before the special meeting or any adjournment or postponement thereof by or at the direction of the board of directors.

The accompanying joint proxy statement/prospectus further describes the matters to be considered at the Centene special meeting.

The Centene board of directors has set September 22, 2015 as the record date for the Centene special meeting. Only holders of record of Centene common stock at the close of business on September 22, 2015 will be entitled to notice of and to vote at the Centene special meeting and any adjournments or postponements thereof. Any stockholder entitled to attend and vote at the Centene special meeting is entitled to appoint a proxy to attend and vote on such stockholder's behalf. Such proxy need not be a holder of Centene common stock.

Your vote is very important regardless of the number of shares of Centene common stock that you own. The merger cannot be completed without approval of the Share Issuance proposal by the affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting that are entitled to vote on the proposal. To ensure your representation at the Centene special meeting, please complete and return the enclosed proxy card or submit your proxy by telephone or through the Internet. Please vote promptly whether or not you expect to attend the Centene special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the Centene special meeting.

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The Centene board of directors has unanimously approved the merger agreement and the transactions contemplated thereby and unanimously recommends that you vote **FOR** the Share Issuance proposal, **FOR** the Centene Adjournment proposal and **FOR** the Charter Amendment proposal.

By Order of the Centene Board of Directors,

Keith H. Williamson

Executive Vice President, General Counsel and Secretary

September 21, 2015

PLEASE VOTE YOUR SHARES PROMPTLY. YOU CAN FIND INSTRUCTIONS FOR VOTING ON THE ENCLOSED PROXY CARD. IF YOU HAVE QUESTIONS CONCERNING THE MERGER, ABOUT THE PROPOSALS IN THIS JOINT PROXY STATEMENT/PROSPECTUS OR ABOUT VOTING YOUR SHARES, PLEASE CALL EITHER:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, New York 10024

Phone: (877) 825-8772

Banks & Brokers: (212) 750-5833

or

Morrow & Co., LLC

470 West Avenue

Stamford, CT 06902

Phone: (800) 662-5200

Banks & Brokers: (203) 658-9400

Email: Centene@morrowco.com

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Health Net, Inc.

21650 Oxnard Street

Woodland Hills, CA 91367

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

to be held on October 23, 2015

To the Stockholders of Health Net, Inc.:

We are pleased to invite you to attend the special meeting of stockholders of Health Net, Inc., a Delaware corporation (referred to as Health Net), which will be held at 21281 Burbank Boulevard, Woodland Hills, California 91367, on October 23, 2015, at 10:00 a.m., Pacific time, for the following purposes:

to vote on a proposal to adopt the Agreement and Plan of Merger, dated as of July 2, 2015, by and among Centene Corporation, Chopin Merger Sub I, Inc., Chopin Merger Sub II, Inc. and Health Net, as amended from time to time (the merger agreement), which is further described in the sections titled The Merger and The Merger Agreement, beginning on pages 54 and 134, respectively, and a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice, which is referred to as the Merger proposal;

to vote on an advisory (non-binding) proposal to approve the compensation that may be paid or become payable to Health Net's named executive officers that is based on or otherwise related to the proposed transactions, which is referred to as the Merger-Related Compensation proposal; and

to vote on a proposal to approve the adjournment of the Health Net special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Merger proposal, which is referred to as the Health Net Adjournment proposal.

Health Net will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof by or at the direction of the Health Net board of directors. Please refer to the joint proxy statement/prospectus of which this notice is a part for further information with respect to the business to be transacted at the Health Net special meeting.

The Health Net board of directors has fixed the close of business on September 22, 2015 as the record date for the Health Net special meeting. Only Health Net stockholders of record at that time are entitled to receive notice of, and to vote at, the Health Net special meeting or any adjournment or postponement thereof. A complete list of such stockholders will be available for inspection by any Health Net stockholder for any purpose germane to the special meeting during ordinary business hours for the 10 days preceding the Health Net special meeting at Health Net's offices at 21650 Oxnard Street, Woodland Hills, CA 91367. The eligible Health Net stockholder list will also be available at the Health Net special meeting for examination by any stockholder of record present at such meeting.

Completion of the merger is conditioned on adoption of the merger agreement by the Health Net stockholders, which requires the approval of a majority of the issued and outstanding shares of Health Net common stock entitled to vote at the Health Net special meeting.

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The Health Net board of directors has unanimously approved the merger and the merger agreement, declared the merger agreement advisable and in the best interest of Health Net and its stockholders, and unanimously recommends that Health Net stockholders vote FOR the proposal to adopt the merger agreement, FOR the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Health Net's named executive officers that is based on or otherwise relates to the proposed transactions and FOR the proposal to approve the adjournment of the Health Net special meeting to a later date or dates, if necessary or appropriate, to permit further solicitation of proxies.

Your vote is very important regardless of the number of shares of Health Net common stock that you own. Whether or not you expect to attend the Health Net special meeting in person, to ensure your representation at the Health Net special meeting, we urge you to submit a proxy to vote your shares as promptly as possible by (i) visiting the Internet site listed on the Health Net proxy card, (ii) calling the toll-free number listed on the Health Net proxy card or (iii) submitting your Health Net proxy card by mail by using the provided self-addressed, stamped envelope. Submitting a proxy will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any eligible holder of Health Net stock who is present at the Health Net special meeting may vote in person, thereby revoking any previous proxy. In addition, a proxy may also be revoked in writing before the Health Net special meeting in the manner described in the accompanying document. If your shares are held in the name of a broker, bank or other nominee, or through the Health Net 401(k) Plan please follow the instructions on the voting instruction card furnished by the broker, bank or other nominee, or your plan administrator.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement and the other matters to be considered at the Health Net special meeting. We urge you to carefully read this joint proxy statement/prospectus, including any documents incorporated by reference herein, and the annexes in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Health Net common stock, please contact Health Net's proxy solicitor:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Phone: (212) 929-5500

Email: proxy@mackenziepartners.com

Website: www.mackenziepartners.com

By Order of the Health Net Board of Directors,

Kathleen A. Waters

Senior Vice President, General Counsel and Secretary

Woodland Hills, California

September 21, 2015

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REFERENCES TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates by reference important business and financial information about Centene and Health Net from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a listing of the documents incorporated by reference into this joint proxy statement/prospectus, see *Where You Can Find More Information* beginning on page 220.

You can obtain any of the documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from Innisfree M&A Incorporated or Morrow & Co., LLC, Centene's proxy solicitors, or MacKenzie Partners, Inc., Health Net's proxy solicitor, at the following addresses and telephone numbers:

For Centene Stockholders:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
(877) 825-8772 (toll-free)
(212) 750-5833 (collect)

or

Morrow & Co., LLC
470 West Ave,
Stamford, CT 06902
(800) 662-5200 (toll-free)
(203) 658-9400 (collect)

For Health Net Stockholders:

MacKenzie Partners, Inc.
105 Madison Avenue
New York, New York 10016
Phone: (212) 929-5500
Email: proxy@mackenziepartners.com
Website: www.mackenziepartners.com

To receive timely delivery of the documents in advance of the special meetings, you should make your request no later than October 8, 2015, which is 10 business days before the special meetings.

You may also obtain any of the documents incorporated by reference into this joint proxy statement/prospectus without charge through the Securities and Exchange Commission, which is referred to as the SEC, website at www.sec.gov. In addition, you may obtain copies of documents filed by Centene with the SEC by accessing Centene's website at www.centene.com under the tab *Investors* and then under the heading *SEC Filings*. You may also obtain copies of documents filed by Health Net with the SEC by accessing Health Net's website at www.healthnet.com under the tab *Investor Relations* and then under the heading *Financial Information*.

We are not incorporating the contents of the websites of the SEC, Centene, Health Net or any other entity into this joint proxy statement/prospectus. We are providing the information about how you can obtain certain documents that are incorporated by reference into this joint proxy statement/prospectus at these websites only for your convenience.

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QUESTIONS AND ANSWERS ABOUT THE MERGERS AND THE SPECIAL MEETINGS

The following questions and answers briefly address some commonly asked questions about the mergers and each of the Centene and Health Net special meetings. They may not include all the information that is important to stockholders of Centene and Health Net. Stockholders should carefully read this entire joint proxy statement/prospectus, including the annexes and the other documents referred to or incorporated by reference herein.

Q: What are the mergers?

A: Centene Corporation, which is referred to as Centene, and Health Net, Inc., which is referred to as Health Net, have entered into an Agreement and Plan of Merger, dated as of July 2, 2015, which (as amended from time to time) is referred to as the merger agreement. A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. The merger agreement contains the terms and conditions of the proposed business combination of Centene and Health Net. Under the merger agreement, subject to satisfaction (or waiver to the extent legally permissible) of the conditions to the merger set forth in the merger agreement and described hereinafter, Chopin Merger Sub I, Inc., a direct wholly owned subsidiary of Centene, which is referred to as Merger Sub I, will merge with and into Health Net, with Health Net continuing as the surviving corporation and a direct wholly owned subsidiary of Centene, in a transaction which is referred to as the merger. Pursuant to the merger agreement, immediately following the completion of the merger and contingent upon Health Net's receipt before the effective time of the merger of an opinion from Morgan, Lewis & Bockius LLP, which is referred to as Morgan Lewis, its outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of the Code, Health Net, as the surviving corporation in the merger, will merge with and into Chopin Merger Sub II, Inc., another direct wholly owned subsidiary of Centene, which is referred to as Merger Sub II, with Merger Sub II continuing as the surviving corporation and a direct wholly owned subsidiary of Centene, in a transaction which is referred to as the subsequent merger, and together with the merger is referred to as the mergers or the transaction.

Q: Why am I receiving these materials?

A: Centene and Health Net are sending these materials to their respective stockholders to help them decide how to vote their shares of Centene or Health Net common stock, as the case may be, with respect to the merger and other matters to be considered at their respective special meetings.

The merger cannot be completed unless Centene stockholders approve the issuance of Centene common stock in the merger and Health Net stockholders adopt the merger agreement. Each of Centene and Health Net is holding a special meeting of its stockholders to vote on the proposals necessary to complete the merger. Information about these special meetings, the mergers and the other business to be considered by stockholders at each of the special meetings is contained in this joint proxy statement/prospectus.

This joint proxy statement/prospectus constitutes both a joint proxy statement of Centene and Health Net and a prospectus of Centene. It is a joint proxy statement because each of the boards of directors of Centene and Health Net are soliciting proxies from their respective stockholders. It is a prospectus because Centene will issue shares of its common stock in exchange for outstanding shares of Health Net common stock in the merger.

Q: What will Health Net stockholders receive in the merger?

A: In the merger, Health Net stockholders (other than (i) Centene, Health Net, Merger Sub I, Merger Sub II or any of their respective subsidiaries, (ii) holders of Health Net stock options, restricted stock units or performance share awards (with respect to such underlying shares only) and (iii) any stockholders holding shares of Health Net common

stock with respect to which appraisal rights are properly demanded and not withdrawn under the General Corporation Law of the State of Delaware, which is referred to as the DGCL) will receive \$28.25 in cash and 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock for each share of

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Health Net common stock, which is referred to as the exchange ratio, and which cash and stock consideration combined are referred to as the merger consideration. This exchange ratio is fixed and will not be adjusted to reflect changes in the stock price of either company before the merger is complete. No fractional shares of Centene common stock will be issued in the merger. Instead of receiving any fractional shares, each holder of Health Net common stock will be paid an amount in cash, without interest, rounded down to the nearest cent, equal to the product of (x) the amount of the fractional share interest in a share of Centene common stock to which such holder would otherwise be entitled (rounded to three decimal places) and (y) an amount equal to the volume weighted average price per share of Centene common stock on the New York Stock Exchange, which is referred to as the NYSE, on each of the ten consecutive trading days ending with the third complete trading day immediately prior to the closing date, weighted by the total volume of trading in Centene common stock on each such trading day, which amount in this clause (y) we refer to as the Centene stock value. Centene stockholders will continue to own their existing shares of common stock of Centene, the form of which will not be changed by the transaction.

The merger and the subsequent merger, if both are consummated, are intended to constitute a single integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. If the subsequent merger is consummated, in general no gain or loss will be recognized by U.S. holders of Health Net common stock upon the exchange of Health Net common stock for Centene common stock except that U.S. holders will recognize gain (but not loss) to the extent such U.S. holders receive cash (including the cash portion of the merger consideration and any cash received in lieu of a fractional share). If the subsequent merger is not consummated, U.S. holders of Health Net common stock would recognize gain or loss equal to the difference, if any, between (i) the sum of the fair market value of the Centene common stock received in the merger and any cash received and (ii) such U.S. holder's adjusted tax basis in the Health Net common stock surrendered in exchange therefor. You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the mergers to you. You will not know at the time of your respective vote whether the subsequent merger will take place, and therefore you will not know the precise tax treatment of the merger or mergers when you vote. See *The Merger U.S. Federal Income Tax Consequences* beginning on page 130 for additional information.

Q: What will happen to the preferred share purchase rights attached to Health Net common stock?

A: Prior to the completion of the merger, Health Net will terminate the rights agreement by and between Health Net and Wells Fargo Bank, N.A., which is referred to as the Health Net rights agreement. In connection with such termination, all of the rights to purchase Series A Junior Preferred Stock of Health Net will be cancelled without any consideration therefor. Prior to the execution and delivery of the merger agreement, the Health Net rights agreement was amended in an action approved by the board of directors of Health Net, which is referred to as the Health Net Board, such that the restrictions set forth in the Health Net rights agreement would not apply to the mergers, the merger agreement, the Health Net Voting Agreement (as defined below), Centene, Merger Sub I or Merger Sub II.

Q: When do Health Net and Centene expect to complete the transaction?

A: Centene and Health Net are working to complete the transaction as soon as practicable. We currently expect that the transaction will be completed by early 2016. Neither Centene nor Health Net can predict, however, the actual date on which the transaction will be completed because it is subject to conditions beyond each company's control, including federal and state regulatory approvals. See *The Merger Agreement Conditions to the Merger* beginning on page 156.

Q: What am I being asked to vote on, and why is this approval necessary?

A: Centene stockholders are being asked to vote on the following proposals:

1. to approve the issuance of Centene common stock, par value \$0.001 per share, pursuant to the merger agreement, which is referred to as the Share Issuance proposal;

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2. to approve any proposal to adjourn the Centene special meeting from time to time, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Share Issuance proposal, which is referred to as the Centene Adjournment proposal; and

3. to approve an amendment to Centene's certificate of incorporation, as amended, to increase the number of authorized shares of Centene common stock from 200 million to 400 million, the full text of which is attached as Annex H to this joint proxy statement/prospectus, which is referred to as the Charter Amendment proposal.

Approval of the Share Issuance proposal by Centene stockholders is required to complete the merger. Approval of the Charter Amendment proposal is not required to complete the merger.

Health Net stockholders are being asked to vote on the following proposals:

1. to adopt the merger agreement, which is referred to as the Merger proposal;

2. to approve, on an advisory basis, the merger-related compensation arrangements of Health Net's named executive officers, which is referred to as the Merger-Related Compensation proposal; and

3. to approve any proposal to adjourn the Health Net special meeting from time to time, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Merger proposal, which is referred to as the Health Net Adjournment proposal.

Approval of the Merger proposal by Health Net stockholders is required for completion of the merger.

The Share Issuance proposal and the Merger proposal are collectively referred to as the Merger-Related proposals.

Q: What vote is required to approve each proposal at the Centene Special Meeting?

A: The Share Issuance proposal: The affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting and entitled to vote on the proposal is required to approve the Share Issuance proposal, which is referred to as the Centene Stockholder Approval.

The Centene Adjournment proposal: If a quorum is not present, the affirmative vote of holders of a majority of the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting and entitled to vote on the proposal is required to approve the Centene Adjournment proposal. If a quorum is present, the affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting and entitled to vote on the proposal is required to approve the Centene Adjournment proposal.

The Charter Amendment proposal: The affirmative vote of holders of a majority of the shares of Centene common stock outstanding and entitled to vote on the record date for the Centene special meeting is required to approve the Charter Amendment proposal.

Q: Have any Centene stockholders agreed to vote their shares in favor of any of the Centene proposals?

A: Yes. Michael F. Neidorff, President and Chief Executive Officer of Centene, who is referred to herein as the Centene Supporting Stockholder, entered into a voting agreement with Health Net, which is referred to as the Centene

Voting Agreement, pursuant to which the Centene Supporting Stockholder agreed, among other things, to (a) appear at each meeting of the stockholders of Centene or otherwise cause all of the shares beneficially owned at such time by the Centene Supporting Stockholder to be counted as present thereat for purposes of calculating a quorum, and respond to each request by Centene for written consent, if any; and (b) vote or cause to be voted (or deliver or cause to be delivered a written consent with respect to) all shares beneficially owned at

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such time by the Centene Supporting Stockholder (i) for the Share Issuance proposal and any actions in furtherance thereof at any meeting of the stockholders of Centene, and at any adjournment or postponement thereof, at which the Share Issuance proposal or the other transactions contemplated by the merger agreement and other related agreements (or any amended version thereof), or such other actions, are submitted for the consideration and vote of the stockholders of Centene (or in response to a request by Centene for written consent with respect thereto), and (ii) against (A) any takeover proposal in respect of Centene and (B) any other corporate action the consummation of which would frustrate the purposes, or prevent or materially delay the consummation, of the transactions contemplated by the merger agreement. The Centene Voting Agreement terminates in certain circumstances specified therein. As of the close of business on September 14, 2015, the most recent practicable date for which such information was available, the Centene Supporting Stockholder has the power to vote and is the beneficial owner of approximately 0.8% and 2.9%, respectively, of the issued and outstanding shares of Centene common stock. The percentage of shares of Centene common stock that the Centene Supporting Stockholder has the power to vote or beneficially owns as of the record date is not expected to be meaningfully different from the percentage as of September 14, 2015. For a discussion of the Centene Voting Agreement, see *The Centene Voting Agreement* beginning on page 165.

Q: What vote is required to approve each proposal at the Health Net Special Meeting?

A: The Merger proposal: The affirmative vote of holders of a majority of the shares of Health Net common stock outstanding and entitled to vote on the record date for the Health Net special meeting is required to approve the Merger proposal, which is referred to as the Health Net Stockholder Approval.

The Merger-Related Compensation proposal: The affirmative vote of holders of a majority of the votes cast by stockholders of Health Net entitled to vote thereon, represented (in person or by proxy) at the Health Net special meeting, is required to approve the Merger-Related Compensation proposal. Because the vote on the Merger-Related Compensation proposal is advisory only, it will not be binding on either Health Net or Centene. Accordingly, if the merger agreement is adopted and the merger is completed, the merger-related compensation will be payable to Health Net's named executive officers, subject only to the conditions applicable thereto, regardless of the outcome of the non-binding, advisory vote of Health Net's stockholders.

The Health Net Adjournment proposal: If a quorum is not present, the affirmative vote of holders of a majority of the votes entitled to be cast by holders of shares of Health Net common stock represented (in person or by proxy) at the Health Net special meeting is required to approve the Health Net Adjournment proposal. If a quorum is present, the affirmative vote of holders of a majority of the votes cast by the shares of Health Net common stock represented (in person or by proxy) at the Health Net special meeting and entitled to vote on the proposal is required to approve the Health Net Adjournment proposal.

Q: Have any Health Net stockholders agreed to vote their shares in favor of any of the Health Net proposals?

A: Yes. Jay M. Gellert, President and Chief Executive Officer of Health Net, who is referred to herein as the Health Net Supporting Stockholder, entered into a voting agreement with Centene, which is referred to as the Health Net Voting Agreement, pursuant to which the Health Net Supporting Stockholder agreed, among other things, to (a) appear at each meeting of the stockholders of Health Net or otherwise cause all of the shares beneficially owned at such time by the Health Net Supporting Stockholder to be counted as present thereat for purposes of calculating a quorum, and respond to each request by Health Net for written consent, if any; and (b) vote or cause to be voted (or deliver or cause to be delivered a written consent with respect to) all shares beneficially owned at such time by the Health Net Supporting Stockholder (i) for the adoption of the merger agreement, the merger and other transactions contemplated by the merger agreement, and all agreements in furtherance of the merger and any actions in furtherance thereof at any meeting of the stockholders of Health Net, and at any adjournment or postponement thereof, at which

the merger agreement and other related agreements (or any amended version thereof), or such other actions, are submitted for the consideration and vote

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of the stockholders of Health Net (or in response to a request by Health Net for written consent with respect thereto), and (ii) against (A) any takeover proposal in respect of Health Net and (B) any other corporate action the consummation of which would frustrate the purposes, or prevent or materially delay the consummation, of the transactions contemplated by the merger agreement. The Health Net Voting Agreement terminates in certain circumstances specified therein. As of the close of business on September 14, 2015, the most recent practicable date for which such information was available, the Health Net Supporting Stockholder has the power to vote and is the beneficial owner of approximately 1.3% and 2.1%, respectively, of the issued and outstanding shares of Health Net common stock. The percentage of shares of Health Net common stock that the Health Net Supporting Stockholder has the power to vote or beneficially owns as of the record date is not expected to be meaningfully different from the percentage as of September 14, 2015. For a discussion of the Health Net Voting Agreement, see "The Health Net Voting Agreement" beginning on page 168.

Q: What happens if the non-binding advisory proposal to approve compensation that will or may be paid or provided by Health Net to its named executive officers in connection with the merger is not approved?

A: Approval, on an advisory (non-binding basis), of compensation that will or may be paid or provided by Health Net to its named executive officers in connection with the merger is not a condition to completion of the merger. The vote is an advisory vote and is not binding. If the merger is completed, Health Net may pay compensation in connection with the merger to its named executive officers even if Health Net stockholders fail to approve the non-binding advisory proposal to approve compensation that will or may be paid or provided by Health Net to its named executive officers in connection with the merger.

Q: What constitutes a quorum?

A: The presence at the Centene special meeting, in person or by proxy, of the holders of a majority of the shares of Centene common stock issued and outstanding on the record date for the Centene special meeting and entitled to vote at the meeting will constitute a quorum for the transaction of business at the Centene special meeting. The presence at the Health Net special meeting, in person or by proxy, of the holders of a majority of Health Net votes entitled to be cast by stockholders entitled to vote on the record date for the Health Net special meeting will constitute a quorum for the transaction of business at the Health Net special meeting. Abstentions (which are described below) will count for the purpose of determining the presence of a quorum for the transaction of business at each special meeting. Shares held in street name by brokers, banks or other nominees that do not have discretionary authority to vote the shares as to a particular matter and have not received voting instructions from their clients, which are referred to as broker non-votes, will be counted for the purpose of determining the presence of a quorum for the transaction of business at either special meeting to the extent there are any such broker non-votes.

Q: How does the Centene Board recommend that I vote?

A: The board of directors of Centene, which is referred to as the Centene Board, unanimously recommends that holders of Centene common stock vote **FOR** the Share Issuance proposal, **FOR** the Centene Adjournment proposal and **FOR** the Charter Amendment proposal.

Q: How does the Health Net Board recommend that I vote?

A: The Health Net Board unanimously recommends that Health Net stockholders vote **FOR** the Merger proposal and **FOR** the Health Net Adjournment proposal. In addition, the Health Net Board unanimously recommends that holders of Health Net common stock vote **FOR** the Merger-Related Compensation proposal to approve, on an advisory (non-binding) basis, any golden parachute compensation arrangement that may be paid or become payable to Health

Net s named executive officers that is based on or otherwise relates to the merger or contemplated by the merger agreement.

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Q: Is my vote required to approve the subsequent merger?

A: No. The constituent parties to the subsequent merger have approved the consummation of the subsequent merger. The subsequent merger is contingent upon (i) the consummation of the merger and (ii) Health Net's receipt before the effective time of the merger of an opinion from Morgan Lewis, Health Net's outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of the Code.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please vote your shares as soon as possible so that your shares will be represented at your respective company's special meeting. Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker, bank or other nominee.

Please do not submit your Health Net stock certificates at this time. If the merger is completed, you will receive instructions for surrendering your Health Net stock certificates in exchange for shares of Centene common stock from the exchange agent.

Q: How do I vote?

A: If you are a stockholder of record of Centene as of September 22, 2015, which is referred to as the Centene record date, or a stockholder of Health Net as of September 22, 2015, which is referred to as the Health Net record date, you may submit your proxy GIN-LEFT: 0pt; MARGIN-RIGHT: 0pt" align="justify">

7. Name of registered shareholders(s) and, if more than one, the number of shares held by each of them

TONY CHANMUGAM

8 State the nature of the transaction

TRANSFER OF SHARES FOR NIL CONSIDERATION TO A CHARITABLE TRUST - THE FARS CHANMUGAM CHARITABLE TRUST

TRANSFER OF SHARES FOR NIL CONSIDERATION TO FRANCES CHANMUGAM.

9. Number of shares, debentures or financial instruments relating to shares acquired

N/A

10. Percentage of issued class acquired (treasury shares of that class should not be taken into account when calculating percentage)

N/A

11. Number of shares, debentures or financial instruments relating to shares disposed

80,000 shares to the Fars Chanmugam Charitable Trust
10,000 shares to Frances Chanmugam

12. Percentage of issued class disposed (treasury shares of that class should not be taken into account when calculating percentage)

N/A

13. Price per share or value of transaction

N/A

14. Date and place of transaction

18 MARCH 2014, UK

15. Total holding following notification and total percentage holding following notification (any treasury shares should not be taken into account when calculating percentage)

TONY CHANMUGAM

PERSONAL HOLDING: 774,925 ORDINARY SHARES

BT GROUP DEFERRED BONUS PLAN: 626,283 SHARES

BT GROUP INCENTIVE SHARE PLAN: 1,512,207 SHARES

BT GROUP EMPLOYEE SHARES AVE SCHEME: AN OPTION OVER 6,024 SHARES

16. Date issuer informed of transaction

17 MARCH 2014

If a person discharging managerial responsibilities has been granted options by the issuer complete the following boxes

17 Date of grant

N/A.....

18. Period during which or date on which it can be exercised

N/A.....

19. Total amount paid (if any) for grant of the option

N/A.....

20. Description of shares or debentures involved (class and number)

N/A.....

21. Exercise price (if fixed at time of grant) or indication that price is to be fixed at the time of exercise

N/A.....

22. Total number of shares or debentures over which options held following notification

N/A.....

23. Any additional information

N/A

24. Name of contact and telephone number for queries

ANNA WATCH, 020 7356 5158

Name and signature of duly authorised officer of issuer responsible for making notification

ANNA WATCH

Date of notification

18 MARCH 2014

END

Enclosure 15

18 March 2014

BT GROUP PLC

TRANSACTION IN OWN SHARES - VOTING RIGHTS AND CAPITAL

BT Group plc announces that on 18 March 2014 it purchased from Merrill Lynch International 360,000 ordinary shares at an average price of 392.3707 pence per share. The purchased shares will all be held as treasury shares.

BT Group plc's capital consists of 8,151,227,029 ordinary shares with voting rights. Following the above purchase, BT Group plc holds 233,072,334 ordinary shares as treasury shares. Therefore the total number of voting rights in BT Group plc is 7,918,154,695.

The above figure (7,918,154,695) may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, BT Group plc under the FCA's Disclosure and Transparency Rules.

= ends =

Enclosure 16

19 March 2014

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BT GROUP PLC

TRANSACTION IN OWN SHARES - VOTING RIGHTS AND CAPITAL

BT Group plc announces that on 19 March 2014 it purchased from Merrill Lynch International 300,000 ordinary shares at an average price of 394.6480 pence per share. The purchased shares will all be held as treasury shares.

BT Group plc's capital consists of 8,151,227,029 ordinary shares with voting rights. Following the above purchase, BT Group plc holds 232,640,879 ordinary shares as treasury shares. Therefore the total number of voting rights in BT Group plc is 7,918,586,150.

The above figure (7,918,586,150) may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, BT Group plc under the FCA's Disclosure and Transparency Rules.

= ends =

Enclosure 17

20 March 2014

BT GROUP PLC

TRANSACTION IN OWN SHARES - VOTING RIGHTS AND CAPITAL

BT Group plc announces that on 20 March 2014 it purchased from Merrill Lynch International 241,000 ordinary shares at an average price of 391.0855 pence per share. The purchased shares will all be held as treasury shares.

BT Group plc's capital consists of 8,151,227,029 ordinary shares with voting rights. Following the above purchase, BT Group plc holds 232,877,875 ordinary shares as treasury shares. Therefore the total number of voting rights in BT Group plc is 7,918,349,154.

The above figure (7,918,349,154) may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, BT Group plc under the FCA's Disclosure and Transparency Rules.

= ends =

Enclosure 18

NOTIFICATION OF TRANSACTIONS OF DIRECTORS, PERSONS DISCHARGING MANAGERIAL RESPONSIBILITY OR CONNECTED PERSONS

This form is intended for use by an issuer to make a RIS notification required by DR 3.1.4R(1).

(1)

An issuer making a notification in respect of a transaction relating to the shares or debentures of the issuer should complete boxes 1 to 16, 23 and 24.

- (2) An issuer making a notification in respect of a derivative relating to the shares of the issuer should complete boxes 1 to 4, 6, 8, 13, 14, 16, 23 and 24.
- (3) An issuer making a notification in respect of options granted to a director/person discharging managerial responsibilities should complete boxes 1 to 3 and 17 to 24.
- (4) An issuer making a notification in respect of a financial instrument relating to the shares of the issuer (other than a debenture) should complete boxes 1 to 4, 6, 8, 9, 11, 13, 14, 16, 23 and 24.

Please complete all relevant boxes in block capital letters.

1. Name of the issuer

BT GROUP PLC

2. State whether the notification relates to (i) a transaction notified in accordance with DR 3.1.4R(1)(a); or

(ii) DR 3.1.4(R)(1)(b) a disclosure made in accordance with section 324 (as extended by section 328) of the Companies Act 1985; or

(iii) both (i) and (ii)

(III) BOTH (I) AND (II)

3. Name of person discharging managerial responsibilities/director

KAREN RICHARDSON

4. State whether notification relates to a person connected with a person discharging managerial responsibilities/director named in 3 and identify the connected person

KAREN RICHARDSON

5. Indicate whether the notification is in respect of a holding of the person referred to in 3 or 4 above or in respect of a non-beneficial interest

PURCHASE OF AMERICAN DEPOSITARY SHARES

6. Description of shares (including class), debentures or derivatives or financial instruments relating to shares

ORDINARY SHARES IN BT GROUP PLC OF 5P EACH - HELD AS AMERICAN DEPOSITARY SHARES (ADS) WHERE 1 ADS REPRESENTS 10 ORDINARY SHARES

7. Name of registered shareholders(s) and, if more than one, the number of shares held by each of them

KAREN RICHARDSON

8. State the nature of the transaction

PURCHASE OF SHARES

9. Number of shares, debentures or financial instruments relating to shares acquired

300 AMERICAN DEPOSITARY SHARES (BEING 3,000 ORDINARY SHARES)

10. Percentage of issued class acquired (treasury shares of that class should not be taken into account when calculating percentage)

N/A

11. Number of shares, debentures or financial instruments relating to shares disposed

N/A

12. Percentage of issued class disposed (treasury shares of that class should not be taken into account when calculating percentage)

N/A

13. Price per share or value of transaction

US\$64.5143 PER SHARE

14. Date and place of transaction

20 MARCH 2014, BOSTON MA

15. Total holding following notification and total percentage holding following notification (any treasury shares should not be taken into account when calculating percentage)

750 AMERICAN DEPOSITARY SHARES (7,750 ORDINARY SHARES)

16. Date issuer informed of transaction

20 MARCH 2014

If a person discharging managerial responsibilities has been granted options by the issuer complete the following boxes

17 Date of grant

N/A.....

18. Period during which or date on which it can be exercised

N/A.....

19. Total amount paid (if any) for grant of the option

N/A.....

20. Description of shares or debentures involved (class and number)

N/A.....

21. Exercise price (if fixed at time of grant) or indication that price is to be fixed at the time of exercise

N/A.....

22. Total number of shares or debentures over which options held following notification

N/A.....

23. Any additional information

N/A

24. Name of contact and telephone number for queries

ANNA WATCH - 020 7356 5158

Name and signature of duly authorised officer of issuer responsible for making notification

ANNA WATCH

Date of notification

21 MARCH 2014

END

Enclosure 19

Monday 31 March 2014

BT GROUP PLC

TOTAL VOTING RIGHTS - MONTH-END DISCLOSURE

BT Group plc confirms that on 31 March 2014 its capital consisted of 8,151,227,029 ordinary shares with voting rights. On that date, BT Group plc held 232,566,384 ordinary shares as treasury shares and therefore, the total number of voting rights in BT Group plc on that date was 7,918,660,645.

The above figure (7,918,660,645) may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, BT Group plc under the FCA's Disclosure and Transparency Rules.

-: Ends :-

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BT Group plc
(Registrant)

By: /s/ Dan Fitz, Company Secretary

Dan Fitz, Company Secretary.

Date 07 April 2014